

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: CB2 Insights Inc. (the "Issuer").

Trading Symbol: CBII

Number of Outstanding Listed Securities: 98,562,668

Date: August 31, 2020

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.

On August 5, 2020 the Issuer announced that it had been selected by Dharma Pharmaceuticals ("Dharma"), as a preferred partner and platform to establish and generate real-world evidence (RWE) on a full suite of Dharma products in Virginia. The announcement comes ahead of

Dharma's commencement of sales of high-quality medical cannabis oils to patients in the near future. Dharma's mission is to bring targeted medical cannabis products to Virginia's patients. Dharma will utilize Sail to standardize and complement other sources of information used in its intake and patient monitoring program. As one of 5 license holders in Virginia, Dharma Pharmaceuticals is a locally-owned company based in Bristol, Virginia and is committed to bringing high-quality medical cannabis oil products to Virginia's patients.

Sail is currently being used in CB2's wholly owned clinical operations in the US, as an electronic health record ("EHR") platform. Unlike many traditional EHR systems, Sail was designed to not only digitize the clinical experience, but with a focus on health outcome reporting. As Sail continues to partner with global organizations to advance RWE efforts, its analytics and technology platform will further enhance Dharma's research and development efforts and study of global anonymized data sets.

As the Company enters this critical phase of rapid sales ramp-up and focuses on maximizing the sales impact of its cash resources, executives Pradyum Sekar and Kashaf Qureshi have agreed to a temporary 30% reduction in cash salary and compensation. The Company will issue 954,546 shares collectively to these executives as payment in lieu of cash. Neither executive has sold any of their shares to-date and remain committed to the long-term growth of the Company. Further, a total of 605,928 options have been cancelled as part of the restructuring of the employee options plan.

On August 19, 2020 the Issuer announced that it has appointed former Medco Health Solutions, Inc executive Pam Galassini to its leadership team as Senior Vice President, Business Development. Within this role, Galassini will support CB2 Insights initiatives to drive engagement and sales in the US for its Skylight Health Direct Primary Care ("DPC") offering to small- to medium-sized businesses ("SMB").

Galassini brings more than 20 years of pharmacy benefit management, payor insights and pharmaceutical manufacturer strategies and solutions experience to Merida Capital. Throughout the nearly two decades spent at Medco Health Solutions, Inc., which was acquired for \$29B by Express Scripts in 2011, Pam served in a number of roles within the organization, including as the company's Pharmaceutical Strategies & Solutions Senior Vice President, Government & Labor Senior Vice President and the Central Region Vice President of Sales. Galassini also currently serves on the operating team of Merida Capital working its group of portfolio companies. CB2 Insights is a Merida Capital portfolio company.

SMB's in the US employ approximately 60 million people each year accounting for nearly 48% of the country's total employee workforce. The highest rate of uninsured workers are found among employees in small firms or self-employed. 35% of workers in small firms are found to be uninsured compared to 13% in large firms of 100 employees or more. This leaves a significant gap in healthcare coverage. Skylight's DPC service is a fixed membership model that costs \$199 a year and is designed to offer affordable and accessible coverage for all. This suggests a USD \$4.2 billion addressable market for CB2. Further, Skylight's team of patient enrollment coordinators can work with patients to help them in qualifying for Medicare and Medicaid for additional services covered by insurance.

On August 25, 2020 the issuer announced that it would be hosting its Q2 2020 earnings call on Tuesday, September 1st, 2020 at 9:00 a.m. Eastern Daylight Time (EDT). And furthermore, would issue a press release and file its interim financial statements and interim Quarterly Management Discussion and Analysis ("MD&A") for the quarter ended June 30, 2020 (the "Q1 2020 Filings") after the close of markets on August 31st, 2020.

On August 26, 2020 the issuer announced that it had entered into a Business Services Agreement with the Freas Medical Advisors ("FMA") to expand medical services in Maryland. FMA is also investigating geographic expansion of its relationship with CB2 across other US States.

As part of CB2's Direct Primary Care services ("DPC"), patients pay an annual fee of \$199 per year for unlimited access to a network of healthcare providers for a range of primary care and urgent care needs. Additionally, the Company offers additional insurable services on a fee for service basis. In partnership with FMA, CB2 will benefit from direct access to a network of pain management, general healthcare, and nursing home facilities servicing thousands of patients per year, seeking complementary healthcare offerings.

FMA represents a team of healthcare entrepreneurs who bring over 40 years of experience in business and US healthcare operations. With strong ties to regulatory bodies within Maryland, the FMA network of practices include Novus Pain Management Center and Flagship Rehabilitation, among others. In addition to building a strong patient referral network, FMA will leverage its connections, network, and resources to help build and maintain a strong business model for CB2 in Maryland.

In coordination with this partnership, Dr. Haroon Hameed will take the role of Medical Director for Maryland for CB2's medical services business. Dr. Hameed is a board-certified Physical Medicine and Rehabilitation doctor with over 7 years as an Interventional Pain Specialist in Florida, Maryland, and Virginia. In addition to supporting clinical efforts, Dr. Hameed will also play a critical role in supporting CB2's research initiatives in Maryland and has co-authored a number of peer-reviewed publications to date.

On August 31, 2020 the Issuer reported its Q2 2020 consolidated financial results for the period ended June 30, 2020. Additional information concerning the Company, including its unaudited condensed consolidated interim financial statements and related management’s discussion and analysis (“MD&A”) for the period ended June 30, 2020, can be found at www.sedar.com and on the Company’s website (www.cb2insights.com). All amounts are expressed in Canadian dollars unless otherwise noted.

- Following an initial slowdown due to the COVID-19 pandemic in March 2020, CB2 has continued to see growth in patient visits and registrations, while ongoing improvements to its business model and operating structure have led to reduced costs for delivery of services;
- The Company is weathering the COVID-19 pandemic well and operational performance has materially improved in Q2 2020; The Company has now reported its first full quarter of positive cash flow from Operations.
- The Company continues its expansion to traditional healthcare services including urgent and primary care, insurable services focused on Medicaid and Medicare eligible patients; representing the largest proportion of healthcare spending in the US; and
- With CAD \$1.3 million in cash at the end of June 2020, the Company is well positioned and focused now on growth through a 3-pronged approach including same services, new services (direct primary care) and accretive acquisitions.

Summary of Q2 2020 Key Milestones and Consolidated Results

- Total revenue for Q2 2020 was \$3.7 million, up from \$3.2 million from Q2 2019;
- Gross profit was \$2.6 million in Q2 2020 compared to \$2.1 million from Q2 2019; an increase of 22.8% driven by process improvements and the deployment of technology to improve the delivery cost of services;
- Adjusted EBITDA was \$0.37 million in Q2 2020 versus an adjusted EBITDA loss of \$0.79 million from Q2 2019 due to continued improvements to the operating model and top line growth;
- In April 2020, the Company launched Skylight Health Group (“SHG”) as part of its clinical operations in the US to focus on integrated healthcare and providing low cost insurable services to patients;
- As of June 30, 2020, the Company has approximately CAD \$1.3 million in cash;
- In April, May and June 2020, the Company saw consecutive months of profitability driven by improved operating margins from efforts in 2019 and Q1 2020, as well as growth in top line revenues;
- In June 2020, the Company amended its promissory note held by Merida Capital Partners, extending it to December 2022, reducing its interest rate of from 12% to 8%, payable in shares or cash and the company’s option and a forced conversion at a premium to the current market price; and
- In July 2020, the Company launched the first in a series of monthly medical reports derived from real-world clinical treatments on a variety of healthcare conditions and modalities across the United States, Canada, and United Kingdom.

Q2 2020 Financial Highlights

	Three months ended June 30		Six months ended June 30	
	2020	2019	2020	2019
Revenue	3,700,473	3,257,021	6,632,499	6,106,832

Cost of sales	1,088,015	1,129,270	2,118,346	1,784,958
Gross profit	2,612,458	2,127,751	4,514,153	4,321,874
Gross margin	70.6%	65.3%	68.1%	70.8%
Total operating expenses	2,525,671	3,857,031	5,572,491	7,051,120
Income (loss) from operations	86,787	(1,729,280)	(1,058,338)	(2,729,246)

2. Provide a general overview and discussion of the activities of management.
None other than as described above.
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.
n/a
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.
n/a
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.
n/a
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.
n/a
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.
n/a
8. Describe the acquisition of new customers or loss of customers.
n/a

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.
n/a
10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.
n/a
11. Report on any labour disputes and resolutions of those disputes if applicable.
n/a
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.
n/a
13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.
n/a
14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds⁽¹⁾
Common Shares	954,546	See ⁽¹⁾ below	Shares for debt
Stock Options - CANCELLED	605,928	The Issuer cancelled stock options	N/A
Stock Options	2,736,440	See ⁽²⁾ below	N/A

⁽¹⁾ Executives Pradyum Sekar and Kashaf Qureshi have agreed to a temporary 30% reduction in cash salary and compensation. The Company will issue 954,546 shares collectively to these executives as payment in lieu of cash. Mr. Sekar and Qureshi have gifted these shares and no shares were issued in their names.

⁽²⁾ Stock Options were granted to two executives Pradyum Sekar and Kashaf Qureshi at exercise prices ranging from \$0.115 to \$0.175 per share. Options vest over 18 months with a 5 year expiry.

15. Provide details of any loans to or by Related Persons.
n/a
16. Provide details of any changes in directors, officers or committee members.
n/a
17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

We are adapting our business given current market and regulatory conditions throughout the US and beyond. It is true that COVID-19 is affecting each and every State that we operate in within the US.

Our clinical services remain open to servicing patients in each of our States – whether currently in mandatory closure or not. As a medical service, our business is permitted to continue to operate through this crisis, to support patients in need. However, we have had to make changes to our operating model to manage the safety of our clinicians, staff and patients. We have been approved by all States to provide telemedicine and telehealth services to all existing patients. This change has been quite seamless. We are limited in our ability to service net new patients in certain States due to telemedicine regulations, but we are hopeful those will be amended, and we will be able to serve all patients in the near-term.

Additionally, while we have had to make temporary layoffs for some clinical staff due to the shut down of physical locations, we have maintained most employees to continue to support the increase in patient volumes.

We also see this as an opportunity to expand our services in markets we are not currently serving. With new telemedicine regulations in place for non-CB2 operating States, we expect to mobilize services to these States in short order.

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 September 8 , 2020.

Kash Qureshi

Name of Director or Senior
Officer

"signed"

Signature

COO

Official Capacity

<i>Issuer Details</i> Name of Issuer CB2 Insights Inc.	For Month End August, 2020	Date of Report YY/MM/DD 20/09/08
Issuer Address 5045 Orbitor Drive, Building 11, Unit 300		
City/Province/Postal Code Mississauga, ON L4W 4Y4	Issuer Fax No. ()	Issuer Telephone No. (855) 874-4999
Contact Name Catherine Beckett	Contact Position Manager Corporate Affairs	Contact Telephone No. 416-642-1807