

# FORM 7

## MONTHLY PROGRESS REPORT

Name of Listed Issuer: Genius Properties (the "Issuer").

Trading Symbol: GNI

Number of Outstanding Listed Securities: 58,786,744

Date: October 10, 2018

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

### **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.

Genius Properties Ltd focused its efforts to acquire all of the issued and outstanding common shares of Cerro de Pasco Resources SA, a corporation incorporated under the laws of Peru previously described in the Corporation's news releases dated November 9, 2017, December 7, 2017, January 23, 2018 and May 3, 2018. In addition, the Company continues to evaluate several strategies to increase the value and quality of its portfolio of properties held in Quebec and Nova Scotia.

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

Management continues to evaluate several strategies as part of an improvement in its organizational structure in order to transfer its portfolio of properties held in Quebec and Nova Scotia into distinctive companies.

## Reverse take-over and Spin-Off

Genius Properties Ltd. expects to proceed on August 31, 2018 (the “Closing Date”) to the closing of its merger with Cerro de Pasco Resources S.A. (“Cerro De Pasco”) pursuant to a merger agreement dated November 9, 2017, as amended (the “Reverse Take-Over”).

Immediately prior to the closing of the Reverse Take-Over, Genius will transfer all of its current mining properties to its wholly-owned subsidiary Genius Metals Inc. (“SpinCo”), and distribute all of the shares of SpinCo to existing shareholders of Genius (the “Spin-Off”).

The record date for the Spin-Off will be August 30, 2018 (the “Record Date”) which will be the date immediately prior to the Closing Date.

Upon closing of the Spin-Off, holders of shares of Genius as of the Record Date will receive shares of SpinCo on the basis of one (1) SpinCo share for six (6) Genius shares.

SpinCo intends to complete a private placement of common shares and flow-through shares for gross proceeds to SpinCo of a minimum of \$750,500 and a maximum of \$3,000,000 (“SpinCo Private Placement”) in order to qualify for the listing of its shares on the Canadian Securities Exchange (the “Exchange”). Please refer to the press release of August 20, 2018 for the terms of the SpinCo Private Placement.

Genius has received the approval of its shareholders to complete the Reverse Take-Over and the Spin-Off, and is currently in the process of completing all regulatory approvals to proceed to closing of the proposed transactions, including that of the Exchange.

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.

10. N/A

11. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

N/A

12. Report on any labour disputes and resolutions of those disputes if applicable.

N/A

13. 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

14. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

N/A

15. Provide details of any securities issued and options or warrants granted.

N/A

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

N/A

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

N/A

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

N/A

## 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 were 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 October 9, 2018.

Guy Goulet

Name of Director or Senior Officer



Signature

President & Chief Executive Officer

Official Capacity

<b>Issuer Details</b> Name of Issuer	For Month End	Date of Report YY/MM/D
<u>Genius Properties Ltd.</u>	<u>September 2018</u>	<u>2018/10/10</u>
Issuer Address		
<u>Suite 203, 22 Lafleur Ave N.</u>		
City/Province/Postal Code	Issuer Fax No.)	Issuer Telephone No.
<u>St-Sauveur (Québec)</u>		<u>(579) 476-7000</u>
Contact Name	Contact Position	Contact Telephone No.
<u>Guy Goulet</u>	<u>President &amp; CEO</u>	<u>(514) 294-7000</u>
Contact Email Address	Web Site Address	
<u>ggoulet@geniusproperties.ca</u>	<u>www.geniusproperties.ca</u>	