FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Nutritional High International Inc. (the "Issuer").

Trading Symbol: EAT

Number of Outstanding Listed Securities: 291,006,072

Date: July 31, 2018

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.

   The Company provided an operational update with respect to its partnership with NeutriSci International Inc. ("NeutriSci"). Production of NeutriSci's newly developed chewable, sublingual THC product will be produced at the Company's Pasa Verde manufacturing facility.

   The Company amended and restated the terms of its revolving loan agreement with Palo Verde, LLC into a Commercial Promissory Note. The Company entered into a non-revolving discretionary line of credit with Palo Verde, LLC up for US$300,000. The Company amended and restated the terms of its lease agreement with Palo Verde, LLC for a period of 10 years. Monthly payment of rents pursuant to the revised repayment schedule.

   Concurrently, the Company entered into the following agreements (see #5 for details):

   - **Packaging Supply Agreement with Palo Verde, LLC for a term of one year to supply packaging materials and grant Palo Verde the non-exclusive right and license to use Trademarks owned by or licensed to the Company in Colorado.**
   - **Consulting Agreement with Palo Verde, LLC to provide Palo Verde advice regarding marijuana products manufacturing for a period of two years, automatically renewable for successive two-year terms thereafter.**
   - **The Company received a personal guarantee from the sole member of Palo Verde LLC for all obligations currently outstanding by and between the Company and Palo Verde and prompt payment when due.**

   The Company announced it is conducting a $4,000,000 non-brokered private placement offering of senior secured convertible debenture units. The terms of the offering are as follows:

   Each unit comprising one senior secured convertible debenture with a face value of $1,000 and 1,429 non-transferrable common share purchase warrants exercisable at $0.80 for 36 months from closing date. The

convertible debentures are convertible into common shares of the Company at a price of $0.70 per common share at any time prior to maturity. The convertible debentures will bear interest at a rate of 10% per annum from the closing date payable semi-annually in arrears, in cash or shares, at the option of the Company. If the Company elects to issue common shares as interest payment, the price per common share shall equal the 20-day VWAP, and the effective interest rate shall be increased to 12%.

The Company will pay finders fees equal to 8% of the gross proceeds of the offering and issue finder's options to acquire finder's units equal to 8% of the number of common shares underlying the convertible debentures sold under the offering, exercisable at a price of $0.80 per Finder Unit for a term of 24 months following Closing. Each Finder Unit will be comprised of one common share and one finder warrant. Each Finder Warrant entitling the holder to acquire one common share at an exercise price of $0.80 per share.

The convertible debentures will be secured by a general security agreement of the Company, guarantees from certain of the Company's subsidiaries and general security interest over the assets of these subsidiaries.

The Company received a USD$2,000,000 conditional lease commitment for the funding of new extraction and lab processing equipment from Veterans Capital Corp (see #13 for details). The Company intends to use the Lease Line of Credit to purchase equipment for the following projects:

- **Pasa Verde facility in Sacramento, CA**
- **Palo Verde facility in West Pueblo, CO**
- **Green Therapeutics facility in North Las Vegas, NV (once the acquisition is concluded)**

The Company announced it entered into a Letter of Intent ("LOI") to acquire a 51% interest in Bright Green Lights LLC, a California company (dba "J:MEDS") for USD$714,000.

The Company announced the launch an innovative cannabis awareness program named FLI Safe (www.flisafe.org). The FLI Safe program focuses on promoting responsible cannabis consumption and cannabis education via sourced research, specifically targeting cannabis advocates.

The Company closed the previously announced acquisition of 100% of California-based Pasa Verde, LLC, a commercial scale cannabis oil extraction and edible facility in Sacramento, California for USD$1.65M and contingent consideration of up to USD$5.3M, subject to earn out provisions (see #7 for details).

The Company completed the closing of its previously announced a 9,000 square foot Sacramento Property permitted for the manufacture of cannabis extracts and infused products. The purchase price for the Property was USD$775,000.

The Company announced that it is no longer proceeding with its previously announced arrangement to finance the build-out of the TKO Products LLC ("TKO") manufacturing facility and does not expect to exercise its option to acquire an interest in TKO.

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

The issuer is primarily focused on developing, acquiring, and designing products and brands in the marijuana-infused edible products and producing oil extracts for medical and adult recreational use. The Company works in the U.S. and Canada where such activity is permitted and regulated by state law, through entities which hold a valid U.S. state license to produce marijuana-infused edible products and to distribute and dispense marijuana products.

Among other duties, management has been undertaking the following:

• Working with Palo Verde, LLC to develop and evaluate options that will further allow Palo Verde to increase its capacity, and develop new sales channels to ensure a strong customer base

• Working on expanding its flagship line of FLI products

• Working with Management of Green Therapeutics, LLC to expedite due diligence and move to finalize and close the proposed transaction

• Integration of Pasa Verde, LLC's operations into Nutritional High and developing the Company's extraction and manufacturing capabilities.

• Expanding infrastructure and rolling out its California-wide distribution strategy with Calyx.

• Pursuing branding and licensing opportunities

• Recruitment of personnel

• Development of manufacturing processes

Management is actively pursuing expansion opportunities in various other U.S. states and Canada. The expansion strategies the Company intends to pursue include direct acquisitions, joint venture partnerships, royalty/licensing arrangements or direct license application in a legally compliant manner. The focus is on designing arrangements in such a manner that expansion efforts provide the quickest way to enter the market to introduce the Company's products and provide the highest rate of return.

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.

None noted

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.

None noted

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.

Palo Verde, LLC

- **The Company, through its subsidiary, Nutritional IP Holding, LLC entered into a Packaging Supply Agreement with Palo Verde, LLC ("Palo Verde"), for a term of one year, automatically renewable for additional one-year periods, to supply packaging materials and grant Palo Verde the non-exclusive right and license to use Trademarks owned by or licensed to the Company in Colorado.**
- **The Company, through its subsidiary, NH Operations LLC entered into a Consulting Agreement with Palo Verde, LLC ("Palo Verde") to provide Palo Verde advice and general business services regarding marijuana products manufacturing for a period of two years, automatically renewable for successive two-year terms thereafter. The Company shall charge a monthly fee of USD$3,000 per month for the first six months effective June 1, 2018, thereafter, the fee will increase to USD$7,000 per month.**

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.

None noted

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.

Pasa Verde, LLC

The Company, through its wholly-owned subsidiary, NH Nevada, LLC purchased 100% member interest in Pasa Verde, LLC for the aggregate purchase price of up to USD$6,950,000, consisting of USD$1,650,000 (the "Initial Payment") on closing date and a series of final payments up to USD$5,300,000 (the "Earn Out Payments") as follows:

i) USD$250,000 on Closing Date

ii) USD$500,000 upon Pasa Verde providing documentation of receipt of Local Authorization Approval (decreased/increased dollar-for-dollar for any decrease/increase in the value of working capital)

iii) Issuance of USD$900,000 worth of shares representing 3,094,560 in Nutritional High common shares at CDN$0.38 per share, to be held in escrow and released to the Vendor upon either (i) receipt by Pasa Verde of a business operating permit issued by the City of Sacramento to operate its business, or (ii) submission of one or more additional construction permit applications or material changes to one or more construction permit applications that are pending that are reasonably expected to cause a delay in the completion of the construction for a period greater than 30 days

The Seller is eligible to receive up to a total of USD$5,300,000 of additional payments at certain intervals from the Closing Date in accordance with the following terms ("Earn Out"):

12-month Earn-out Price

(a) The Company shall pay to Seller USD$1,000,000 provided adjusted gross revenue equals or exceeds USD$2,000,000 for the twelve-month period immediately following the Closing Date

(b) In the event that the adjusted gross revenue is less than USD$2,000,000 for the twelve-month period immediately following the Closing, the Company shall pay to Seller an amount equal to the lesser of: (a) USD$750,000 and (b) 50% of the adjusted gross revenue during the 12-month period immediately following Closing Date.

18-month Earn-out Price

(a) The Company shall pay to Seller USD$1,500,000 provided adjusted gross revenue equals or exceeds USD$2,750,000 during the 18-month period immediately following the Closing Date

(b) In the event that the adjusted gross revenue is less than USD$2,750,000 the Company shall pay to Seller an amount equal to the lesser of: (a) USD$1,000,000 and (b) 50% of the adjusted gross revenue during the 18-month period immediately following Closing Date.

24-month Earn out Price

(a) The Company shall pay to Seller USD$2,600,000 provided adjusted gross revenue equals or exceeds USD$3,500,000 during the twenty-four-month period immediately following the Closing Date

(b) In the event that the adjusted gross revenue is less than USD$3,500,000 for the twenty-four-month period immediately following the Closing, the Company shall pay to Seller an amount equal to the lesser of: (a) USD$1,500,000 and (b) 50% of the adjusted gross revenue during the 24-month period immediately following Closing Date.

Bonus Earn Out

In the event the Seller is eligible for the 12,18, and 24-month Earn Out, the Company will pay the Seller USD$200,000 within 10 days of the end of the Twenty-Fourth Month from Closing Date.

The Company shall pay 50% of each eligible Earn Out through the issuance of the Nutritional High shares and the remaining 50% in cash.

The Company will fund up to USD$382,000, subject to adjustment, in working capital over an 18-month time frame from closing.

The Company will issue up to 500,000 stock options to the Corporation's employees who sign agreements to continue in their roles post-closing.

The Seller will enter into a Consulting Agreement with the Corporation for a minimum of 24 months, at USD$150,000 per year.

The transaction is at arm's length and not with a related party.

8. Describe the acquisition of new customers or loss of customers.

No material acquisitions of new customers of loss of customers noted.

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.

None noted

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

None noted

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

None noted

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.

None noted

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

The terms of the USD$2,000,000 Lease Line of Credit from Veterans Capital Corp are as follows:

- **The Lease Line of Credit will have a 3-year term with fixed monthly lease rental payments based on a monthly lease rate factor of 3.369% of the capital cost**
- **Funding under the proposed Lease Line of Credit will be in increments of USD$500,000 or as per each lease schedule**
- **The Company has the option to extend the lease term for a minimum of 12 months at renewal**
- **The Lease Line of Credit provides for a buyout option, whereby the Company has an option to purchase all the equipment under the Lease Line of Credit for fair market value, which shall not exceed 14% of the capital cost**
- **The Lease Line of Credit will be secured by various new extraction and lab processing equipment, attachments, parts and warranties**
- **The Company will issue 1,000,000 warrants at an exercise price of $0.70 per share, expiring 3 years from date of closing. 25% of the total warrants shall vest upon execution of the Lease Line of Credit agreement and the remaining 75% will vest on a pro-rata basis as the Lender funds the lease schedules**
- **The Company will pay the Lender certain other fees based on the amount funded under the lease schedule.**

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

Security	Number Issued	Details of Issuance	Use of Proceeds(1)
Common shares	350,000	Exercise of options	$49,500; for working capital purposes
Common shares	2,892	Exercise of warrants	$566; for working capital purposes
Common shares	3,094,560	Issued pursuant to acquisition of Pasa Verde, LLC	$Nil, Share consideration issued in connection with acquisition of Pasa Verde, LLC

(1) State aggregate proceeds and intended allocation of proceeds.

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

None noted

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

None noted

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

The Company's marijuana business involves certain risks and uncertainties that are inherent to the Company's industry. Please refer to the "Risk Factors" section of the Amended and Restated Prospectus dated February 13, 2015 which is available on SEDAR at www.sedar.com.

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 August 8, 2018.

Jim Frazier
Name of Director or Senior Officer

"Jim Frazier"
Signature
Chief Executive Officer
Official Capacity

Issuer Details Name of Issuer Nutritional High International Inc.	For Month End July 31, 2018	Date of Report YY/MM/D 18/08/08
Issuer Address 77 King Street West, Suite 2905		
City/Province/Postal Code Toronto/ Ontario/ M5K 1H1	Issuer Fax No. ( )	Issuer Telephone No. (416) 840-3798
Contact Name David Posner	Contact Position Director	Contact Telephone No. (647) 985-6727
Contact Email Address dposner@nutritionalhigh.com	Web Site Address www.nutritionalhigh.com	