

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Carlyle Commodities Corp. (the "Issuer").

Trading Symbol: CCC

Number of Outstanding Listed Securities: 23,509,516

Date: July 2020

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.

On July 15, 2020, the Issuer announced it had entered into an option agreement with Riverside Resources Inc. to purchase an undivided 100% interest in and to the 7,739 hectare Cecilia Gold-Silver Project (the "Cecilia Gold Project") located in the State of Sonora, Mexico, as more particularly described in Item 5 herein.

On July 24, 2020, the Issuer announced it had mobilized crews for Phase 1 of its 2020 exploration program at the Cecilia Gold Project, as more particularly described in Item 3 herein.

On July 21, 2020 175,000 common shares were issued at a price of \$0.15 per share pursuant to the exercise of stock options.

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

The Issuer is a mineral exploration company focused on the acquisition, exploration and development of mineral resource properties, specifically in the strategic battery metals sector. The Issuer has an option agreement to purchase a 100% interest in the highly prospective Sunset Property (the “*Property*”), which consists of 4 mineral claims comprising a total of approximately 785.31 hectares located in the Vancouver Mining Division approximately 15km north of Whistler, British Columbia, and 108km north of Vancouver, British Columbia. In order to earn the interest in the property, the Issuer must complete \$1,000,000 in exploration by June 30, 2020 (\$100,000 by September 30, 2018 (completed); \$200,000 by December 31, 2020; and \$700,000 by December 31, 2021), make cash payments of \$15,000 by April 1, 2018 (completed), and issue 666,667 Shares by April 1, 2018 (completed).

The Issuer’s wholly-owned subsidiary, BC Vanadium Corp., owns a 100% undivided, unencumbered legal and beneficial interest in both the Star and the Porcher Vanadium properties (the “*BCVC Properties*”), located in northwestern British Columbia. The BCVC Properties cover a total area of 6,740 hectares and host vanadium mineralization within large bodies of titaniferous magnetite. The BCVC Properties are strategically located on tidewater, near to the small logging community of Oona River on Porcher Island. The Issuer subsequently increased to size of the Porcher property from 3,122.16 to 3,525.46-hectares, and the Star property from 3,646.8 to 4,618.3-hectares to fully encompass newly discovered magnetic anomalies.

The Issuer’s wholly-owned subsidiary, WEM Western Energy Metals Ltd., owns a 100% undivided, unencumbered legal and beneficial interest in both the Penece and the Blackie Vanadium properties (the “*WEM Properties*”), located in British Columbia. The WEM Properties cover a total area of 2,714 hectares and host vanadium mineralization within large bodies of titaniferous magnetite. Both properties are strategically located on tidewater, near to the small coastal cities of Port Hardy (Penece – 68km) and Prince Rupert (Blackie – 96km).

The Issuer completed a Phase II prospecting program on its wholly-owned Star, Porcher and Blackie properties located along tide-water near Prince Rupert, British Columbia. A total of 125 rock samples were collected by the Issuer’s personnel from the three properties (Porcher - 61, Star - 43, Blackie - 21) with assays returning as high as 0.513% V₂O₅ (49.3% Fe, 4.01% Ti). Prospecting focused on the strongest magnetic anomalies that were mapped during the Phase I airborne magnetic surveys, and in all cases ground truthing confirmed that these anomalies are caused by variably mineralized vanadium-rich titaniferous magnetite. The Issuer is very encouraged by the consistency of V₂O₅, titanium and iron enrichment identified by the Phase II work program on all three properties and has submitted five-year area-based permit applications which will allow the Issuer to establish up to 40 drill sites on the Blackie, Porcher and Star properties.

The Issuer completed a Phase I airborne geophysics survey across its wholly-owned Fe-Ti-V Penece property located near Port Hardy, British Columbia. The results were encouraging and outlined a sizeable, ~4.5km x ~3.5km, strong northwest-southeast trending magnetic anomaly, approximately 7,000nT in amplitude. The survey was completed by Ridgeline Exploration Services Inc. out of Kelowna, British Columbia, and was flown in a systematic low-level grid pattern at 150m line spacing. The average terrain clearance was 75m across the entire survey area and a total of 402 line-km were flown.

Based on the results from the survey, the Issuer increased the size of the Penece property by 482.9-hectares to 1983.3-hectares, to fully encompass the newly discovered strong magnetic anomaly. The results from the survey will be used in helping the Issuer's technical team plan a Phase II work program, which will include prospecting, mapping and rock sampling over the geophysical anomalies.

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.

The Issuer has mobilized crews for Phase 1 of its 2020 exploration program at the Cecilia Gold Project located in the State of Sonora, Mexico. The property is well located in the highly metal endowed northern part of Sonora state gold-silver belt with nearby mining operations including Cananea Copper Mine and Santa Gertrudis Gold Mine.

The Phase 1 exploration program has been designed to refine targeting at Cerro Magallanes which is a large rhyolite flow dome complex, host of several historic workings and multiple high-grade gold mineral occurrences. Additionally, the program will focus on expanding knowledge on the sedimentary hosted mineralized targets, including to-date a total of five gold-mineralized areas. The program will consist of:

- Property scale mapping to better identify mineralized targets over a district scale project;
- A detailed structural mapping study focused on the primary dome target Cerro Magallanes to better understand the structural controls of mineralization;
- Processing and interpretation of Aster data, which will lead to a better understanding of the alteration signatures across the district;
- Surface sampling including rock and soil sampling over the multiple targets to further focus targeting in preparation for Phase 2;
- A geophysical survey consisting of 10 line kilometers of IP centered over the sedimentary hosted anomalies identified outside of the dome target, road rehabilitation and pad building to support a maiden drill program to commence immediately following the Phase 1 program.

The program is expected to take approximately 5 weeks to complete and will ultimately culminate in a Phase 2 diamond drilling program that will test the Cerro Magallanes target once pads and other infrastructure is complete, materials needed for the Phase 2 drilling are at site and the results of Phase 1 work has been integrated. The exploration work will be managed by Riverside which has extensive infrastructure, knowledge and logistical support in the area and will begin a COVID adjusted and managed program. Previous work by Riverside on the Cecilia Gold Project is summarized in reports with information available at Riverside's website and the Issuer is now taking that data and expanding on Riverside's findings with detailed sampling ahead of the Phase 2 work program.

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

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.

The Issuer entered into an option agreement (the "*Option Agreement*") with Riverside to purchase an undivided 100% interest in and to the Cecilia Gold Project (the "*Transaction*").

The Cecilia Gold Project is a district scale gold and silver low sulfidation epithermal system centered on multiple mineralized rhyolitic flow-dome complexes and is located 40 km southwest of the Mexico-U.S.A. border town of Agua Prieta in Sonora, Mexico. The project is directly accessible by well-maintained dirt roads from highway 17. Mineralization is related to structures of N30W and N70E with high grades assayed at the intersection of these structures. One of the workings at the Cerro Magallanes dome returned high grades up to 133.7 g/t Au and 335 g/t Ag . In addition to the rhyolite domes the underlying sedimentary Cabullona group and Paleozoic limestone provide an environment for replacement style mineralization at depth. Current deposit model type for Cecilia are SSR Mining's Pitarrilla deposit and Fresnillo's San Julian deposit, which contain 526 million oz Ag (Measured + Indicated) and over 230 million oz Ag respectively. The mineralization hosted at the Pitarrilla project is not necessarily indicative of mineralization hosted on the Issuer's property.

The previous operator Riverside completed a 1st phase exploration program at the North Breccia and Central Zones in 2017 collecting 91 rock chip and grab samples. 33 of the 91 samples yielded gold assays greater than 0.5 g/t gold (Au) with five samples assaying greater than 3 g/t Au. The three-best sampled assays were:

- 133.7 g/t Au with 288 g/t silver (Ag)
- 58 g/t Au with 207 g/t Ag
- 8.42 g/t Au with 87.8 g/t Ag

Silver contents greater than 100 g/t Ag, six of these samples yielding assays that were greater than 200 g/t Ag and the maximum silver assay was 310 g/t Ag (see Riverside press release dated June 6, 2017).

In September of 2018, Riverside completed a regional soil sampling program. The soil survey covered approximately 30% of the 50 km² Cecilia 1 concession (see press release dated March 5, 2018), and has expanded the targeting around the known central Cerro Magallanes area of the Cecilia Gold Project. The Issuer will continue to advance and refine the known central targets and is also placing equal priority on new property-wide target generation.

The rock chip samples collected by Riverside's field crew and mentioned here were verified by the qualified person. Rock samples at the Cecilia Gold Project were taken from 32 separate bedrock outcroppings on the eastern slope of the prominent mount of Cerro Magallanes, with the majority of individual samples consisting of composites of bedrock fragments hammer-chipped from 1.1 to 3.1 metre long intervals across rock faces showing evidence of hydrothermal brecciation and silicification. The two highest grade samples which assayed 113.7 and 58.0 g/t Au are select grab samples of loose quartz vein rock found on the waste-rock dumps of two small underground workings which are believed to date back to the 1940's. The two grab samples are not representative of the mineralization that was chip-sampled from actual outcrops, however, they do support Riverside's view that the Cecilia Gold Project has excellent potential for the discovery of epithermal quartz veins hosting gold and silver mineralization of the low-sulphidation type.

As many as 30 abandoned exploration adits, small underground galleries and surface prospect pits are distributed over the upper slopes of Cerro Magallanes, which are believed to date back to the early decades of the 20th Century. In the early 1980s the Consejo de Recursos Minerales (CRM) initiated a project at Cerro Magallanes over a 3-year period and carried out a comprehensive exploration program, including:

- 896 km² of regional mapping
- 635 surface rock chip samples
- 14.3-line kilometres of induced polarization
- 1,412 m of underground mapping
- 4 diamond drill holes totalling 732.3 m

The soil lines combined with the 3D modeling of past drill holes and projection of the surface mapped geology to depth begins to develop a range of precious metals targets that can be drill tested. A value add of a drone aeromagnetic survey is a critical next step to get a good picture of the ~80 km² property tenure which will aim to define the deeper feeder structures that could be controlling near surface mineralization.

Under the terms of the Option Agreement, the Issuer has the option to acquire a 100% interest in the Cecilia Gold Project (the “*Option*”) by (collectively, the “*Option Payments*”): (i) making aggregate cash payments of \$200,000 (collectively, the “*Cash Payments*”), (ii)

issuing 1,500,000 common shares in the capital of the Issuer (the “*Share Issuance*”), (iii) issuing 3,000,000 non-transferable special warrants, and (iv) incurring an aggregate of \$2,500,000 in exploration expenditures (collectively, the “*Expenditures*”), all in accordance with the schedule set out below:

Payment Date	Cash Payment	Shares	Special Warrants	Expenditures
Upon entry into of the letter of intent in connection with the Option Agreement	\$10,000 (Paid)	-	-	-
Upon Closing (as defined below)	\$40,000	1,500,000	3,000,000	
12 months from Closing	\$50,000	-	-	\$750,000
24 months from Closing	\$50,000	-	-	\$500,000
36 months from Closing	\$50,000	-		\$1,250,000
TOTAL:	\$200,000	1,500,000	3,000,000	\$2,500,000

The Issuer can, at its option, accelerate the exercise of the Option at any time by completing the applicable Option Payments as set forth in the table above.

Subject to minimum annual Expenditures of \$120,000, any excess Expenditures completed by the Issuer in any of the payment periods set out in the table above (each, a “*Payment Period*”) shall be carried forward and credited to the Expenditures required in the next Payment Period. In addition, up to 50% of the total aggregate Expenditures required to be incurred by the Issuer in any of the Payment Periods may be satisfied by the payment of the Expenditure amount directly to Riverside. However, at least one-half of such payment must be made in cash, with the balance payable, at the option of the Issuer, in its sole discretion, by issuance of common shares in accordance with and priced at the maximum discount allowable under the policies of the Canadian Securities Exchange (“*CSE*”) or any other applicable stock exchange on which the Shares are so listed.

Each Special Warrant will automatically vest and convert into one common share on a one for one basis in accordance with the following vesting schedule:

Vesting Date	No. of Special Warrants Vested/Converted
12 months from Closing	500,000
18 months from Closing	500,000
24 months from Closing	500,000
30 months from Closing	500,000
36 months from Closing	1,000,000
Total:	3,000,000

All securities issued in connection with the Transaction will be subject to a statutory hold period expiring four months and one day after the date of issuance. In addition, the common shares issued in connection with the Share Issuance will be subject to a 6 month voluntary hold period.

Upon completion of the Option Payments, the Issuer will be deemed to have exercised the Option and will have earned an undivided 100% legal and beneficial interest in and to the Cecilia Gold Project, subject to a 2.5% net smelter return royalty to be granted to Riverside.

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

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.

None

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 trademarks.

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.

None

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

None

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

On July 13, 2020 1,500,000 common shares were issued at a deemed price of \$0.2775 per share, and 3,000,000 non-transferable special warrants issued which will automatically vest and convert into one share on a one for one basis at a deemed price of \$0.2775 per share pursuant to the terms of the Option Agreement with Riverside Resources Inc. as described in Item 5 herein.

175,000 common shares were issued at a price of \$0.15 per share pursuant to the exercise of stock options.

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

None

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

None

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

There has been a global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and, specifically, the regional economies in which the Issuer operates. The pandemic could continue to have a negative impact on the stock market, including trading prices of the Issuer's shares and its ability to raise new capital. These factors, amongst others, could have

a significant impact on the Issuer's operations. As a result, there exists material uncertainty that casts significant doubt about the Issuer's ability to continue as a going concern.

Please also refer to the Issuer's Listing Statement dated October 23, 2018 as filed with the CSE and under the Issuer's profile on 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 5, 2020.

Morgan Good
Name of Director or Senior Officer

"Morgan Good"
Signature

CEO
Official Capacity

Issuer Details <i>Name of Issuer</i>	<i>For Month End</i>	<i>Date of Report</i> YY/MM/DD
Carlyle Commodities Corp.	July 2020	20/08/05
<i>Issuer Address</i>		
#4302 – 1151 West Georgia Street		
<i>City/Province/Postal Code</i>	<i>Issuer Fax No.</i>	<i>Issuer Telephone No.</i>
Vancouver, BC, V6E 0B3	N/A	(604) 715-4751
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