

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: CCC

Number of Outstanding Listed Securities: 24,847,516

Date: September 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 September 9, 2020, the Issuer announced that a drill permit, issued under the British Columbia Mines Act, had been received and mobilization of field crews had commenced to conduct a maiden drill campaign at the Issuer's recently optioned Mack copper-molybdenum-gold Project (the "Mack Project") located near Dease Lake, B.C. as more particularly described in Item 3 herein.

On September 21, 2020, the Issuer provided an update on the current Phase 1 exploration program including rock samples and drill pad construction ahead of drilling at the Cecilia Project as more particularly described in Item 3 herein.

On September 30, 2020 100,000 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 “*Sunset 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 Sunset 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 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.

The Issuer has an option agreement to purchase a 100% interest in and to the 7,739 hectare Cecilia Gold-Silver Project (the "*Cecilia Project*") located in the State of Sonora, Mexico. In order to earn the interest in the Cecilia Project, the Issuer must make aggregate cash payments of \$200,000 (\$10,000 on signing a Letter of Intent (completed); \$40,000 upon closing (completed); \$50,000 by July 13th, 2021; \$50,000 by July 13th, 2022; and \$50,000 by July 13th, 2023), issue 1,500,000 common shares upon closings (completed), issue 3,000,000 non-transferable special warrants (completed), and incur an aggregate of \$2,500,000 in exploration expenditures by July 13th 2023 (\$750,000 by July 13th, 2021; \$500,000 by July 13th, 2022; and \$1,250,000 by July 13th, 2023).

The Issuer has an option agreement (the "*Mack Option Agreement*") with United Mineral Services Ltd. ("*UMS*") and Amarc Resources Ltd. as operator ("*Amarc*"), pursuant to which the Issuer has the right to earn a 50% working interest (the "*Mack Option*") in the Mack Project.

The Issuer has an option agreement (the "*Jake Option Agreement*") with UMS and Amarc, pursuant to which the Issuer has the right to earn a 50% working interest (the "*Jake Option*") in the Jake gold property (the "*Jake Project*"), located in British Columbia.

Under the terms of the Mack Option Agreement and the Jake Option Agreement, the Issuer has the right to earn a 50% working interest in the Mack Project and the Jake Project by completing \$400,000 of drilling and other surveys on each property. Upon completion of the required expenditures, separate 50:50 joint ventures (each a "*Joint Venture*") will be formed between the Issuer and UMS (or its assigns) in order to continue to advance each property.

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.

Cecilia Project

The Phase I 2020 exploration program at the Cecilia Project 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 consists 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 Resources Inc. (“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 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.

On September 21, 2020, the Issuer provided an update on the current Phase 1 exploration program including rock samples and drill pad construction ahead of drilling at the Cecilia Project.

A key focus of the exploration program is at the Cerro Magallanes where Riverside has identified various high-grade gold targets. Riverside reports that the heart of Cerro Magallanes is a large, multiphase mineralized rhyolitic dome complex with four defined targets: the San Jose, North Breccia, Central and East Targets; all of which have returned high-grade samples including up to *133.7 g/t gold and 288 g/t silver (from 91 samples; see Riverside press release of June 6, 2017). The recent work has focused on channel sampling at the San Jose and North Breccia targets as described below, with more results expected in the coming weeks.

The ongoing Phase 1 exploration program has delivered additional data, which includes:

- First results from the initial batch of 21 rock channel samples collected from Cerro Magallanes returned up to: 43.2 g/t Au, 5.6 g/t Au and 2.5 g/t Au;
- Results from soil sampling at Casa de Piedra target within the sedimentary Cabullona group;
- Results from Aster processing highlighting altered corridors across the district scale property;
- Topographic digital elevation model (DEM) produced from drone survey

Ongoing and upcoming results and drilling preparation include:

- Drilling preparation, which includes hand building drill pads for person-portable drilling at the San Jose target, widening and improvement of foot trails/roads, and preparation of the drill and the work camp for the upcoming drill program;
- Drone Aeromagnetic survey underway now with results expected in the coming weeks;
- Detailed mapping and structural mapping at the main dome target of Cerro Magallanes and tracing out the gold veins and silicification zones;
- Conduct an Induced Polarisation survey, which can help to define the depth of potential conductors interpreted to be sulfide zones in the dome system and also tighten targeting of possible ore shoots;
- Results from the next batch of channel samples along the primary targets including at San Jose will refine the mineralization along strike and in width;
- Throughout September, the Issuer and Riverside will be integrating and completing the above near-term work in preparation for a drill program to commence in the near term.

Top Four of 21 Gold Assay Results from Current Channel Sampling Program

<i>Sample #</i>	<i>Au (ppm)</i>	<i>Target</i>	<i>Type</i>	<i>Rock</i>
RRI-6038	43.2	San Jose	40-cm channel	Breccia vein
RRI-6034	5.6	San Jose	60-cm channel	Quartz vein/fault
RRI-6046	2.5	North Breccia	10-cm channel	Vein/breccia vein
RRI-6047	1.08	North Breccia	10-cm channel	Vein breccia

Exploration at Cerro Magallanes

Phase 1 ground exploration has defined and confirmed extensive high-grade mineralization on surface at San Jose and North Breccia target. The latest channel results including 43.2

g/t Au (40 cm channel) and 5.6 g/t Au (60 cm channel), are part of a more extensive structural corridor for which historical work has defined the extension up to 300 m in strike length and 20 m width. As noted above, two historical samples from Riverside returned 133.7 g/t Au and 58 g/t Au within old workings. Current observations and interpretation suggest a potential high-grade structural intersection at depth between the San Jose and North Breccia targets.

Mineralization at the San Jose target consists of grey quartz, opalescent silica, fluorite and silicification within structural breccia and upper dome shears. The primary structure is a northwest oriented lineament. Along this structure, conjugate structures form sets of northeast and easterly oriented faults. The primary fluid path follows the northwestern lineament, which allows ore shoot deposition of gold and silver mineralization at fault intersections as well as along dome margins. This mineralization at the San Jose target is similar to the Parral District in Chihuahua, Mexico 750 km to the southeast, where fluorite–barite is spatially located above the larger gold-silver veins. There the San Julian mine operations of Fresnillo Mining Company has identified a dome center with over 1.7M Oz Au and 330M Oz Ag in resources and reserves (Riverside press release July 15, 2020, and Fresnillo Annual Report, 2019) which is associated with a feeder trunk of a rhyolite dome and its margin including breccias like the geologic features found on Cerro Magallanes. The observed similarities to the Parral district highlight the potential of the Cerro Magallanes area but are not necessarily indicative of the mineralization on the Cecilia Project, and no qualified person for the Issuer has verified the similarities nor the reported San Julian mine resource and reserves.

The North Breccia, Central and East targets are associated with increases in precious and base metals, showing boiling textures and dissolution of clasts that indicates these targets are likely relatively deep within the epithermal system. These indicators make management believe that historical drill holes and recent surface work could define a shallow horizon within the epithermal system, as is indicated at surface and may extend deeper into the dome along structures with potential for more metal discovery.

Exploration at District Scale

New data from soil sampling and Aster image processing highlight corridors of alteration following northwest and northeastern oriented structures. In addition, widespread gold-bearing quartz veins with gold values up to 12.5 g/t Au confirm presence of fluid migration throughout the district-scale property and especially along the northeastern structure. The divergence in orientation of the northwestern Cerro Magallanes primary fluid migration path and the northeastern trend outside of the dome could be explained by difference in rheology for which the rhyolite dikes act as an aquiclude in the sedimentary units. Hence, targets have been refined using historical data as well as on site observations.

Future work over the sedimentary basement will include detail structural and vein mapping to prepare the targets for a possible future drill program.

Mack Project

On September 9, 2020, the Issuer announced that a drill permit had been received and mobilization of field crews had commenced to conduct a maiden drill campaign at the Mack Project.

Mobilization is underway for the \$400,000 core drilling program to commence mid-September at the Mack Project. The planned 600 metre drill program (the “*Mack Drill Program*”) is the first test of the potential grade and distribution of metals within the significant scale, drill ready, bulk tonnage copper-molybdenum-gold deposit target that has been defined at the Mack Project from combined historical and modern geochemical, geological and geophysical surveys. By completing the Mack Drill Program, the Issuer will earn a 50% working interest in the Mack Project from UMS, a private company affiliated with Hunter Dickinson Inc. (“*HDI*”) and 100% owned by Robert Dickinson, Chairman of HDI, and a 50:50 Joint Venture will be formed between the Issuer and UMS (or its assigns) in order to advance the Mack Project. The Issuer and UMS have agreed that HDI affiliated Amarc, which has extensive BC exploration experience, will operate the drill program. Amarc applied for and received the drill permit and is now mobilizing the drill program to commence a mid-September start, with plans to utilize local contractors and service providers for a large percentage of the work.

The Mack Project is located on a overburden covered, alpine plateau 23 km west of the village of Dease Lake, which is on the Stewart-Cassiar Highway some 88 km north of the Red Chris gold-copper mine operated by Newcrest Mining Ltd., and 75 km north of the Saddle North gold-copper discovery on the Tatogga property of GT GOLD. Based on historical records compiled by UMS, the Mack Project copper-molybdenum-gold sheeted and stockwork vein deposit target forms a northwest trending zone measuring more than 1,000 m long and some 600 m wide. The target is outlined by a number of surface surveys including recent soil geochemical and airborne magnetic surveys and historical Induced Polarization chargeability surveys. The geochemical soil survey results show coincident and robust copper, molybdenum, bismuth and tungsten values over the entire deposit target trend. While the Mack deposit target is covered by overburden, a cirque rim perpendicular to and at the northern extremity of the deposit target trend exposes an altered granitic outcrop measuring about 400 m long carrying molybdenite and chalcopyrite mineralization in hairline fractures and quartz veins. Historical assay results from rock samples collected along a 25 m trench, cut oblique to the deposit target trend near the targets centre, and 500 metres east of the cirque rim, reported gold values up to 1.6 g/t, with 9 of the 17 samples averaging 0.83 g/t.

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.

None

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.

100,000 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 October 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.	September 2020	20/10/05
<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
<i>Contact Name</i>	<i>Contact Position</i>	<i>Contact Telephone No.</i>
Morgan Good	CEO	(604) 715-4751
<i>Contact Email Address</i>	<i>Web Site Address</i>	
morgan@carlylecommodities.com	https://carlylecommodities.com/	