

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: INNOVATIVE PROPERTIES INC. d/b/a Nabis Holdings (the "Issuer").

Trading Symbol: NAB

Number of Outstanding Listed Securities: 94,908,198 as of January 31, 2019.

Date: February 1, 2019 (for the month of January 31, 2019)

#### **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.

Nabis Holdings is a Canadian investment issuer that invests in high quality, cash flowing assets across multiple industries, including real property, securities, cryptocurrency, and all aspects of the U.S. and international cannabis sector.

- On January 17, 2019, the Company announced that it has entered into a binding letter of intent to invest ("LOI") in to invest in strategically located properties that have municipal approvals for provisioning centres in Michigan, USA, specifically the City of Detroit, Bangor City, Battle Creek, Constantine and Muskegon. The existing Municipal approvals with respect to the properties will expedite the State licensing process for dispensary locations under the new recreational cannabis regime in Michigan.
- On January 24, 2019, the Company announced that it has entered into a binding LOI to invest in an additional two strategically located properties that have municipal approvals for provisioning centres in Michigan, USA for a total consideration of USD \$6 million. The provisioning centers are located strategically in the City of Detroit and one property in Bay City ("Properties"). The existing municipal approvals with respect to the properties will expedite the State licensing process for dispensary locations under the new recreational cannabis regime in Michigan. These provisioning centers previously operated prior to the new Michigan State regulatory regime and generated unaudited historic gross revenues of approximately USD \$9 million in 2018, with an approximate 30% adjusted EBITDA margin or approximately USD \$3 million. These two properties would take Nabis' total to seven provisioning centers in Michigan assuming closing of the previous five properties.
- On January 28, 2019, the Company announced that it has entered into a binding LOI to invest in a 70% interest of Hivemind Refinery ("HIVEMIND"), an established wellness product line of CBD-based wellness products in the United States. The investment into HIVEMIND expands Nabis' investment portfolio to CBD edibles, water, drops, lotions, and other CBD wellness products across the spectrum and will fall under the Company's lifestyle brand. Nabis anticipates HIVEMIND will be a premium consumer CBD line to be distributed across the United States and Canada and will be focused on products utilizing locally grown premium CBD along with unique formulations and delivery systems. HIVEMIND will be catering to an exponentially growing CBD wellness segment that includes personal health, athletic line, nutraceutical, and beauty products across North America.

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- On January 29, 2019, the Company announced that it has entered into a binding term sheet (“Term Sheet”) to acquire 100% of the membership units of Organica Patient Group Inc. (“OPG”), and RDF Management Group (“RDF”) in the State of Arizona, USA (the “Investment”). OPG is a fully-integrated medical marijuana business licensed under the provisions of the Arizona Medical Marijuana Act operating a dispensary under the trade name “Organica Patient Group” in Chino Valley, Arizona, as well as certain real estate interests in Prescott Valley, Phoenix and Chino Valley, Arizona. Organica Patient Group is a Chino Valley marijuana dispensary that has been operating since 2012. OPG has its own branded products and wholesale operations, including distribution to more than 25% of the dispensaries in Arizona. OPG operates a 26,000 square foot indoor cultivation and processing center, along with a 56,600 square foot greenhouse operating in Prescott Valley. OPG’s exclusive manufacturing and licensing agreements with Fire Brand, Gas Extracts, and Donuts Concentrate products are also distributed within Arizona. Under the terms of the Term Sheet, Nabis will pay USD \$11 million in cash and USD \$3 million of common shares of Nabis (“Nabis Shares”) for an aggregate purchase price of USD \$14 million for OPG and RDF. The Nabis Shares will be issuable upon closing of the Investment and the price per Nabis Share shall be calculated by reference to the 10-day volume weighted average price of the Company’s shares on the Canadian Securities Exchange.
- On January 30, 2019, the Company announced that it has entered into an agreement with Canaccord Genuity Corp. and Eventus Capital Corp. to act as co-lead agents and co-bookrunners, on behalf of a syndicate of agents (collectively, the “Agents”), with respect to a commercially reasonable efforts brokered private placement of debenture units (“Debenture Units”) for aggregate gross proceeds to Nabis of up to C\$30,000,000 (the “Offering”), each Debenture Unit being comprised of C\$1,000 in principal amount of unsecured convertible debentures of Nabis (the “Convertible Debentures”) and 1,111 common share purchase warrants of Nabis (the “Warrants”). Each Warrant shall be exercisable to acquire one common share of Nabis (“Nabis Share”) at an exercise price of C\$1.50 per share for a period of 36 months from the date of closing of the Offering (the “Closing Date”), regardless of whether the Convertible Debentures are converted. The Agents shall have the option, exercisable at any time up until 48 hours prior to the Closing Date to arrange for the sale of additional Debenture Units for additional aggregate gross proceeds to Nabis of up to C\$5,000,000. The Convertible Debentures will mature 36 months from the Closing Date, will bear interest at a rate equal to 8% per annum, payable on the last day of each calendar quarter, and will be convertible at the option of the holder into Nabis Shares at a price of C\$0.90 per Nabis Share (the “Conversion Price”).

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

See No. 1 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.

None.

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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.  
See No. 1 above. No transactions with Related Persons.
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.  
None.  
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.
9. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.  
None to report
10. Report on any labour disputes and resolutions of those disputes if applicable.  
None.
11. 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.
12. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.  
None.
13. Provide details of any securities issued and options or warrants granted.  
None

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

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

None.

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

None to report

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

None.

## 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 February 1, 2019 .

Emmery Wang  
Name of Director or Senior  
Officer

/s/ Emmery Wang  
Signature

Chief Financial Officer  
Official Capacity

<b>Issuer Details</b> Name of Issuer Innovative Properties Inc. d/b/a Nabis Holdings	For Month End January 31, 2019	Date of Report YY/MM/D 19/02/01
Issuer Address 488 – 1090 West Georgia Street		
City/Province/Postal Code Vancouver, BC, V6E 3V7	Issuer Fax No. (604) 608-9110	Issuer Telephone No. (604) 687-7130
Contact Name Emmery Wang	Contact Position CFO	Contact Telephone No. (604) 687-7130
Contact Email Address <a href="mailto:info@nabisholdings.com">info@nabisholdings.com</a>	Web Site Address <a href="http://www.nabisholdings.com">http://www.nabisholdings.com</a>	

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