



FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Orchid Ventures, Inc. (the "Issuer").

Trading Symbol: ORCD

Number of Outstanding Listed Securities: 68,358,722

Date: July 3, 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.

The Issuer is an Irvine, California based brand that launched in Oregon and California in August 2017 and has since developed a mass-market brand and loyal consumer following with its premium vape products. The Issuer's products lines are currently sold in 250+ dispensaries across California and Oregon and are handcrafted and designed for maximum flavour and overall enjoyment.

The Issuer's mission is to create the highest standards in the cannabis industry and be committed to safety, efficacy, and quality. The Issuer uses natural terpenes and ensures that its materials are thoroughly screened for pesticides, solvents, heavy metals, and bacteria while also ensuring high-potency cannabinoid and terpene levels.

The Issuer's proven processes and passion for what it does carry through into its products. The end result is an unparalleled experience for new and practiced cannabis users alike. The Issuer plans to expand its brand into new national markets, as well as global markets such as Latin America and Europe. With a continued focus on brand and intellectual property development, the Issuer will execute strategic acquisitions to solidify an integrated cannabis manufacturing and distribution infrastructure with the goal of becoming a dominant premium cannabis brand in the United States. The Issuer's management brings significant branding, product development and distribution experience with a proven track record of scaling revenues, building value generating partnerships and creating enterprise value.

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

During June 2019, management of the Issuer was focused on expanding the sales of its premium vapes and product line as well as opening its licensed Research & Development facility in Clackamas, Oregon.

On July 3, 2019, the Issuer announced that it had entered into a Memorandum of Understanding with Infusion Factory, LLC (“Infusion”) and its parent company ICON Holdings, Inc. pursuant to which Infusion will provide vendor services in exchange for, among other things, the issuance of a warrant to purchase up to 200,000 common shares of the Issuer at a price of CAD\$0.33 per common share for a term of 36 months, subject to the approval of the CSE.

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 continues to develop new products. On June 19, 2019, the Issuer announced the expansion of its business with the opening of its newly licensed Research & Development facility in Clackamas, Oregon. The facility will help the Issuer expand its production capacity, provide more control over its supply chain and will serve as an innovation hub for new product development to test in the Oregon market.

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.

There were no products or services that were discontinued other than in the ordinary course of business.

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.

There were no new business relationships entered into between the Issuer, its affiliates or third parties in June 2019.

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.

No contracts or agreements expired or were terminated nor were there any financing arrangements cancelled during June 2019.

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.

There were no dispositions or acquisitions of the Issuer's assets during June 2019.

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

During June 2019, the Issuer continued to expand its retail accounts.

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.

There were no new developments or effects on intangible products of the Issuer during June 2019.

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

During June 2019, one employee was terminated and one employee was laid off. The Issuer had a total of 20 employees in June 2019.

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

There were no labour disputes during June 2019.

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.

The Issuer did not become a party to any legal proceedings during June 2019.

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

The Issuer extended the term of the unsecured \$100,000 promissory note entered into in April 2019. A total of \$10,000 simple interest is to be paid on the promissory note which is now payable on or before July 26, 2019.

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

| Security | Number Issued | Details of Issuance | Use of Proceeds |
|---------------|---------------|---|-----------------|
| Common shares | 2,206,875 | Conversion of Exchangeable Units | n/a |
| Stock options | 2,000,000 | Exercisable into one common share at a price of \$0.33 per share until June 28, 2024. | n/a |
| Warrants | 200,000 | Exercisable into one common share at a price of \$0.33 per share for 36 months. | n/a |

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

There were no loans to or by Related Persons. A loan agreement entered into in March 2019 with our general manager for \$18,000 was paid in full during June 2019.

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

The Board of Directors and Officers of the Issuer are:

Board of Directors

**Corey Mangold
Tom Soto
Robert MacDonald**

Audit Committee

**Robert MacDonald (Chair)
Tom Soto**

Compensation Committee

**Robert MacDonald
Tom Soto**

Officers:

**Corey Mangold Chief Executive Officer
Mathew Lee Chief Financial Officer
Luke Hemphill Chief Revenue Officer
Eric Vaughan Chief Operating Officer
Jennifer Eales General Counsel**

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

Four of the five states that the Issuer is expanding into have legalized cannabis for medical and recreational use. Florida allows cannabis to be sold medically and Las Vegas, Nevada is poised to become the world's largest adult-use cannabis tourism destination. Massachusetts recently announced that recreational sales topped \$100 million in just five months and in Washington, one of the most mature cannabis markets, sales top \$1 billion annually.

The Issuer estimates that the global size of the cannabis industry could reach US\$180 billion over the next 10 to 15 years as recreational cannabis use is legalized and as a result of standard market growth. Although the current regulatory market in the United States remains challenging, the U.S. cannabis market has the potential to be significantly larger than the Canadian market and is expected to drive growth in the industry.

Notwithstanding the foregoing, with the impending legalization of cannabis for recreational use in Canada and the growing number of states in the United States allowing cannabis for medical and/or recreational use, the potential market for cannabis products is only expected to grow. However, the market and regulatory framework within which the Issuer is seeking to operate continues to evolve and remains subject to change and there are no assurances that such market and framework will develop in a manner consistent with the Issuer's current expectations or at all.

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 July 3, 2019.

Corey Mangold
Name of Director or Senior Officer

"Corey Mangold"
Signature

Chief Executive Officer
Official Capacity

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|---|--|---|
| Issuer Details | For Month End | Date of Report |
| Name of Issuer Orchid Ventures Inc. | June 2019 | YY/MM/D 19/07/03 |
| Issuer Address 9930 Irvine Center Drive | | |
| City/Province/Postal Code Irvine, California, USA 92618 | Issuer Fax No. n/a | Issuer Telephone No. (844) 672-4435 |
| Contact Name Jennifer Eales | Contact Position General Counsel | Contact Telephone No. (541) 797-9995 |
| Contact Email Address jennifer@orchidessentials.com | Web Site Address www.orchidessentials.com | |

