

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: True Leaf Medicine International Ltd. (the "Issuer").

Trading Symbol: MJ

Number of Outstanding Listed Securities: 96,386,204 common shares (plus 12,572,380 common shares reserved for issuance in the form of 6,237,380 warrants and 6,335,000 options)

Date: January 1, 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.**

During the past month, the Issuer generally continued to market its pet products and to develop its pet products line in addition to construction on its cultivation facility in Lumby, British Columbia.

On December 19, 2018, the Issuer announced that it had launched its brand ambassador program for professional athletes and influencers by partnering with Rozaay Management.

On December 21, 2018, the Issuer announced that it donated \$10,000 USD to the Hemp Feed Coalition to advance the efforts to engage the US Food and Drug Administration on new uses of hemp for pets.

On December 24, 2018 the Issuer announced the repricing of 2,354,254 warrants expiring on May 29, 2019 and 3,025,983 warrants expiring June 12, 2019. The exercise price changed from \$0.45 per share to \$0.355, bringing it in line with the closing market price per share at December 21, 2018. The repriced warrants will have an accelerated expiry date. In accordance with the Canadian Securities Exchange rules, the term of the warrants will be reduced to 30 days commencing seven days from the end of the closing market price of the shares exceeding the amended exercise price by 25 per cent for 10 consecutive trading days. The Issuer has notified all warrant holders via mail of the proposed amendments to the terms of the warrants. Should warrant holders consent to and agree with these changes, they should sign and return the amendment to the Issuer by February 1, 2019 in order for the changes to each warrant to be effective.

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

Please see Item 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.

Please see Item 1 above.

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.

Please see Item 1 above.

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, except in the ordinary course of business.

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.

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

None.

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

None.

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.

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Common Shares	857,145	Common shares issued pursuant to option exercises at a price of \$0.185 per share	\$158,571,85 aggregate proceeds will be used for general working capital purposes

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

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

None.

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

The Issuer established a Corporate Governance and Compensation Committee with members including Darcy Bomford, Michael Harcourt, and Kevin Bottomley (Chair). The Issuer amended the members of its Audit Committee to be Darcy Bomford, Michael Harcourt, and Sylvain Toutant (Chair).

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

On June 20, 2018, the Government of Canada held the final vote on Bill C-45, the Cannabis Act, in the Senate. The Cannabis Act passed in the Senate and received Royal Assent on June 21, 2018. The Cannabis Act came into force on October 17, 2018, recreational cannabis is now available to legal adults (aged 18 or 19 depending on the province or territory) for purchase, growth, or use in limited quantities.

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 January 1, 2019.

Darcy Bomford
Name of Director or Senior Officer

"Darcy Bomford"
Signature

Chief Executive Officer
Official Capacity

Issuer Details		For Month End	Date of Report
Name of Issuer True Leaf Medicine International Ltd.		December 2018	YY/MM/DD 19/01/01
Issuer Address 100 Kalamalka Lake Road, Unit 32			
City/Province/Postal Code Vernon, British Columbia V1T 9G1	Issuer Fax No. N/A	Issuer Telephone No. 778.475.5323	
Contact Name Darcy Bomford	Contact Position President, CEO, and Director	Contact Telephone No. 778.475.5323	
Contact Email Address Darcy@trueleaf.com		Web Site Address www.trueleaf.com	