

# FORM 7

## MONTHLY PROGRESS REPORT

Name of CNSX Issuer: UPCO International Inc. (the "Issuer" or "Upco").

Trading Symbol: UPCO

Number of Outstanding Listed Securities: 71,604,975

Date: January 3, 2020

### **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 December 12 Upco announced that the Capital Commitment agreement between LDA Capital LLC and Upco International was executed and signed. This Capital Commitment is in the form of a 'Put Option' that may be exercisable on a monthly basis; each amount will vary depending on Upco's volume during the previous fifteen-day period and price per share during the forward looking 15 day pricing period.. The strike price of the put option is determined by the VWAP - volume weighted average price during such period. On each Put Option Exercise, LDA Capital will buy a minimum of 75% of the average volume of shares at the VWAP. For example, if the VWAP is CAD \$0.10 and the average fifteen-day volume is 200,000 shares, for such Put Option LDA Capital will invest in Upco CAD \$105,000.

The agreement will enable Upco to execute its marketing and distribution plan in multiple countries.

"The Upco application and its functions will be explained during 2020 via our website, social media and print media in order to attract corporate clients and end users." Mentioned Gerben Borsje, Chief Commercial Officer at Upco LDA Capital's commitment is an injection of CAD \$20 million in cash within a maximum of 3 years in exchange for equity in Upco. The funds will be used specifically for working capital, brand development, PR and marketing campaigns. "Upco's blockchain driven technology combined with their mobile, social and payment integrations fit well with LDA's expertise within the evolving emerging technologies sector. The global use of interactive applications is rapidly growing, and we foresee Upco playing an important role in the sector over the years to come," mentioned Anthony Romano, Managing Partner of LDA Capital.

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

- The issuer worked on further developing its mobile App and also its VOIP whole business.
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.
- N/A
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.
- N/A
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.
- N/A
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.
- N/A
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.
- N/A
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 trade-marks.
- 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.
  - N/A
  
13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.
  - N/A
  
14. Provide details of any securities issued and options or warrants granted. N/A

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>

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

15. Provide details of any loans to or by Related Persons.
  - N/A
  
16. Provide details of any changes in directors, officers or committee members.
  - N/A
  
17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.
  - N/A.

## 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 CNSX 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 CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated January 3, 2020.

Andrea Pagani  
Name of Director or Senior  
Officer

"Andrea Pagani"  
Signature  
CEO and Director  
Official Capacity

<b>Issuer Details</b>		
Name of Issuer Upco International Inc.	For Month End Dec 2019	Date of Report YY/MM/DD - 2020 / Jan / 3
Issuer Address 200 - 17618 - 58 Avenue		
City/Province/Postal Code Surrey, BC, V3S 1L3	Issuer Fax No.	Issuer Telephone No. ( 778) 218 9638
Contact Name Jag Sandhu	Contact Position – Manager of Corporate Development	Contact Telephone No. - 778 218 9638
Contact Email Address JAGJNS@OUTLOOK.COM	Web Site Address www.upcointernational.com	

