

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: AREV Nanotec Brands Inc. (“AREV” or the “Issuer”).

Trading Symbol: AREV

Number of Outstanding Listed Securities: 16,957,807

Date: June 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.

AREV NanoTec Brands Inc. (“AREV”) produces and sells functional ingredients produced via its proprietary extraction systems. These premium ingredients and products are targeted for the natural health, medical, functional food, nutraceutical, sport nutrition markets. AREV’s model is to toll process extraction of targeted essential and functional oils and license its formulations to Licensed Producers in Canada. The company utilizes toll processors in foreign countries to encapsulate and package its formulations that can be sold in traditional distribution channels and online.

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

During the month of June 2020 the Company was not be able to file its audited annual financial statements for the period ended December 31, 2019 and its MD&A by the filing deadline of June 15, 2020 in reliance of British Columbia Instrument 51-515 *Temporary Exemption from Certain Corporate Finance Requirements* and may not be able to file its interim financial statement for the period ended March 31, 2020 and its MD&A by the filing deadline of July 14, 2020 in reliance of British Columbia Instrument 51-517 *Temporary Exemption from Certain Corporate Finance Requirements with Deadlines during the Period from June 2 to August 31, 2020* and as a result will be in default of its obligations under National Instrument 51-102 *Continuous Disclosure Obligations*.

- The Company has encountered difficulties in completing the audit for the above-mentioned financial statements due to COVID-19 pandemic induced short staffing of the Company and its auditors.
- The Company intends to satisfy the alternative information guidelines set out National Policy 12 – 203 *Cease Trade Orders for Continuous Disclosure Default* by filing bi-weekly Default Status Reports, as required, until such time as the financial statements and MD&A are filed.
- The Company advises that there are no insolvency proceedings to which the Company is subject and there is no material information concerning the affairs of the Company that has not been generally disclosed.
- The Company has requested from the applicable Canadian securities regulators that a management cease trade order related to the Company's securities be imposed against some or all of the persons who have been directors, officers or insiders of the Company. If granted, such an order would not generally affect the ability of persons who have not been directors, officers or insiders of the Company to trade the Company's securities.
- Canadian securities regulators may impose an order that all trading in securities of the Company cease, either permanently, or for such period as is specified in the order, if the Company does not file its annual financial statement and MD&A by July 15, 2020. The Company further acknowledges that an issuer cease trade order may be imposed prior to July 15, 2020 if the Company fails to file its bi-weekly Default Status Reports on time.

During the month of June 2020 the Company entered into a Joint Venture Agreement with Absolem Mushroom Extraction Inc. (“Absolem”) dated June 18, 2020.

The Transaction involves two stages. During the first stage (“Stage 1”), Absolem will make the cash and share payments to Arev described below, and Arev will undertake the development work described below. In the second stage (“Stage 2”), informed in part by the results of the development work undertaken by Arev in Stage 1, Absolem and Arev will produce and sell mushroom extracts and mushroom-based products. Each of Stage 1 and Stage 2 of the Transaction is subject to receipt of applicable regulatory and stock exchange approvals. This JV Agreement replaces the Letter Agreement, as announced November 2019.

Absolem will pay \$100,000 to Arev, of which \$20,000 will be paid in cash (the “Cash Payment”), and \$80,000 will be paid by the issuance to Arev of common shares of Absolem at a price of \$0.075 per share (the “Payment Shares”). Subject to AREV’s satisfaction of due diligence under subsection 1(a), Arev agrees forthwith to apply the Cash Payment to the purchase of specific additional extraction equipment, particulars of which have been provided to Absolem prior to the date of this Letter Agreement (the “New Equipment”). The estimated purchase price of the New Equipment is US \$40,000. Arev will pay the difference between the Cash Payment and the purchase price of the New Equipment. The New Equipment will be owned by Arev. In consultation with Absolem, Arev will conduct research and will develop methods for deriving extracts from mushrooms utilizing the New Equipment and other extraction equipment which it owns (the “Extraction Methods Research”), which research shall not involve any prohibited activities unless official authorization in writing has been granted to Arev for such prohibited activities under Part J of the Canada Food and Drug Regulations. Arev shall not perform nor allow on its premises any illegal activities. Other than the supply of mushrooms, which will be provided by Absolem at Absolem’s expense, the cost of the Extraction Methods Research shall be borne by Arev, but shall not exceed a total investment in the Joint Venture Partnership of \$100,000. All intellectual property generated through the Extraction Methods Research which relates to mushroom extraction methods will vest in Absolem, and all other intellectual property shall vest in Arev, which intellectual property shall include any scientific information related to organic chemistry extraction technologies. The Parties will make their reasonable best efforts to do all things required from each of them to complete the Extraction Methods Research by the end of the year 2020.

Michael Withrow, CEO of AREV, commented: “We are honored to have been selected to be the extraction company of choice by Absolem. The team at Absolem has identified the next big trend in natural medicines and we are delighted to be part of this innovation. This collaboration will potentially lead to another line of branded ingredients and formulations produced by AREV and build on our revenue stream.”

Ken Kuiper, CEO of Absolem, commented; “We are delighted to be partnering with AREV, as our extraction company. As the demand for natural medicine and mushrooms is growing and gaining in popularity, we believe that investing in the research and development of the extraction process will set us apart and help us better serve our customers. We will innovate new patented extraction methods, explore alternative analogs of the mushrooms and increase the bio-availability of extracted compounds.”

During the month of June 2020 the Company entered into a Joint Venture with Hemp Agro of Saskatchewan. The Joint Venture is called “The AREV Permaculture Project” and is located on the Trans Canada Highway between Kamloops and Salmon Arm BC.

Under the terms of the agreement AREV is responsible for funding the project. Each entity in this venture will retain ownership of their own land. The net sales proceeds of the hemp raw material are to be split 80% to AREV and 20% to Hemp Agro.

The company has planned this Permaculture Project over the last two years and has committed the time and resources required for site preparation. Two years ago the property was logged and all stumps removed to prepare the land and soil for sustainable agriculture. At the end of the first year we planted fall rye to naturally nourish the soil. The second year crop of fall rye was allowed to reseed itself. It grew successfully and supplied us with the natural conditioning required for a highly fertile soil. This year we have planted our first hemp crop of 15 acres. We have also planted Hops and Black Elderberry. Our next step of growth will include the cultivation of Echinacea and other medicinal plants for use in our proprietary formulations.

We have selected True Form Packaging of Edmonton, Alberta to process our Natural Health Products under its site license with Health Canada.

Michael Withrow, CEO of AREV, commented: "The project is designed to produce quality organic ingredients for the creation of our products. It has taken time and patience, and we have managed to achieve quality results while at the same time have kept development costs under strict control.." He went on to say, "It was a long road to get to this point of having a licensed property and with the skills of Agro Hemp, and we have the expertise of an experienced Canadian Hemp Farmer on the team."

Romeo Prescott, CEO of Agro Hemp., commented: "We are excited to be a part of the Arev Permaculture Project. Our partnership with Arev will create a model for sustainable small farm operations, growers growing cash crop of medicinal plants for extraction & formulation. Our goal is to provide the farmer a new method of crop diversity that is healthy & wholesome. Farmers or landowners are closely connected to the end product."

This transaction is 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.

NONE.

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.

NONE.

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.

January 31, 2020 the Company has commenced litigation in the Supreme Court of British Columbia over the breaches of Agreement by the Defendant, Matthew Harvey, the vendor of the BC Bud Depot Assets.

On July 3, 2018 AREV entered into an asset purchase agreement to purchase the assets of BC Bud Depot (see Arev’s July 5th 2018 news release). The Company claims Mr. Harvey has breached the contract and is seeking relief. Mr. Harvey has 21 days to respond from the date of service. The company has no guarantee of succeeding and no estimate of when this matter will be resolved; however, the Company’s litigator remains confident that the Company will be triumphant.
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⁾

(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.
NONE.
17. Discuss any trends, which are likely to impact the Issuer including trends in the Issuer’s market(s) or political/regulatory trends.

The trends and risks which are likely to impact the Issuer are discussed in the Issuer’s financial statements (the “YE Financial Statements”) and corresponding management’s discussion and analysis (the “YE MD&A”) for the year-ended December 31, 2018. The Q4 Financial Statements and YE MD&A are both available under the Issuer’s profile on SEDAR at www.sedar.com.

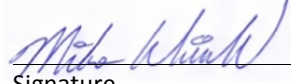
Certificate Of Compliance

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 June 25, 2020.

Mike Withrow
Name of Director or Senior Officer


Signature
CEO & Director
Official Capacity

Issuer Details Name of Issuer AREV Nanotec Brands Inc.	For Month End June 2020	Date of Report YYYY/MM/DD 2020/06/25
Issuer Address Unit 18 – 91 Golden Drive		
City/Province/Postal Code Coquitlam, BC, V3K 6R2	Issuer Fax No. () n/a	Issuer Telephone No. (604) 803-8439
Contact Name Denby Greenslade	Contact Position Corporate Secretary	Contact Telephone No. (604) 803-8439
Contact Email Address denby@arevbrands.com	Web Site Address www.arevbrands.com	