

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: **Chemesis International Inc.** (the "Issuer")

Trading Symbol: **CSI**

Number of Outstanding Listed Securities: **54,212,594** (as at March 31, 2021)

Date: **April 6, 2021**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

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 a U.S. focused multi-state cannabis company, that is focused on providing an artificially intelligent (AI) based retail solution. The Issuer currently holds exclusive rights to an AI based kiosk which can be deployed in high traffic areas such as, shopping malls, stadiums, transit hubs, workplaces, and large corporate headquarters.

The Issuer has strong brand partners that provide high-quality products and services across the United States. The Issuer's Partners allow the Issuer to effectively build strong brand loyalty and reoccurring sales.

The Issuer and its team are committed to building a strong unattended and attended retail model for the cannabis market across the United States. The Issuer will continue to provide consumers with industry-leading technology, the most sought-after products and education.

During the month of March 2021, the Issuer actively continued general and corporate operations.

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

During the month of March 2021, management continued to support and control the Issuer's business activities, develop the Issuer's business, and search for strategic business relationships.

On March 9, 2021, the Issuer announced by way of news release the addition of [Terry White](#) as Senior Vice President of Operations, an experienced executive whom has extensive history of working in the food & beverages industry. Terry is highly skilled in Convenience, Customer Marketing, Consumer Products, Sales, and Continuous Improvement.

Terry White, Senior Vice President of Operations commented, "I am excited to have the opportunity to partner with Chemesis on this initiative. I believe we are still in the infancy of the CBD Market growth potential, and our unattended retail solution, provides a unique niche to both educate and quickly provide consumers with the products that satisfies their need. Chemesis has a unique solution, at the right time and given my background, I am excited to be a part of it, and look forward to bringing it to market, and exceeding all growth projections."

Terry will work with Chemesis & its team to assist in the execution and development of backend logistics and processes that focus on improving the consumer vending experience/VICKI program. Through this work Terry will work to further implement optimizations/implementation of proven industry best practices, which comes with his experience from the vending industry as a key contributor in the success of new go-to market strategies.

"We are elated to welcome Terry to the team, his breadth of experience in this industry is priceless and will certainly help us further develop and implement our VICKI program," said President of Chemesis, Josh Rosenberg. "Terry will work with the team to optimize the VICKI program, improve logistics and SOPs that will support speed to market and scale of the business."

Terry White has extensive experience in the beverage & consumer good industry, including,

- **25+ plus years of increasing responsibility in the Beverage/ Consumer Goods Industry.**
- **As a key member of the inaugural Business Transformation Team at Coca-Cola, successfully led several National and Global projects/ initiatives, outperforming initial projections.**
- **Keynote speaker at the Global Vending Conference for Coca-Cola.**
- **Significant experience working at the C-Suite level.**
- **Well versed with Setting Strategy, Organizational Design, Policy/ Procedures, Procurement, Logistics, and establishing KBIs to measure/ improve Operational Efficiencies.**
- **While at CCE, Led NABU in Sales and GP for 4 straight years, overseeing Cold Drink in two different Divisions.**

On March 10, 2021, the Issuer announced by way of news release a brand and product partnership with Pipe Dream Kitchen, LLC ("PDK") and their portfolio of CBD based snacks and gourmet products.

Pipe Dream Kitchen creates a variety of CBD infused snacks under its Chef Roc brand, including protein bars, gourmet nuts, and specialty chocolates. Pipe Dream Kitchen strives for functional yet fun, nutritious but delicious products. Their CeReen line of CBD products include teas and other relaxing edibles. The founders have over 80 years of combined experience in the food and beverage industry, ranging from farm to table, allowing PDK to create CBD infused snacks that don't sacrifice taste for efficacy.

Steve Cassarino, Chief Culinary Officer, known as "Chef Roc" is a celebrity chef and entertainer with over 30 years of professional experience in the kitchen, and more than 20 years of exposure on both locally and nationally broadcasted television programs. Steve has extensive experience in food product development. He has created new products for some of the biggest international brands including Burger King, Pizza Hut, and Haagen Dazs. In recent years his focus has been on the artful combination of health supplements and food products.

Jim Webb, President of Pipe Dream Kitchen, believes "It's a partnership of passion. Pipe Dream Kitchen's unique CBD creations flow to customers through the innovative retail solutions of Chemosis. We are excited to be able to showcase our unique products in Chemosis' vending AI solutions."

Chemosis' partnership will allow the Issuer to leverage PDK's strong culinary background to continue to bring quality CBD products to the market, while leveraging PDK's R&D around new CBD based products. This will allow the Issuer to expand into the fastest moving category in the market, by partnering with a supplier with a strong background in product development and capabilities to collaborate on new innovative products.

"The partnership with Pipe Dream Kitchen brings an incredible set of products that are formulated by a world class culinary team," said President of Chemosis, Josh Rosenberg. "We believe consumers want high-quality CBD products and will eventually build strong consumer and brand loyalty."

The above noted news releases can be viewed under the Issuer's profile on SEDAR (www.sedar.com). In addition, the above noted news release can be viewed on the Issuer's Disclosure Page on the Canadian Securities Exchange's website.

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 to report during the month of March 2021.

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 to report during the month of March 2021.

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.

During the month of March 2021, the Issuer entered into a brand and product partnership with Pipe Dream Kitchen, LLC ("PDK") and their portfolio of CBD based snacks and gourmet products.

The partnership entered into between the Issuer and PDK was entered into by way of arm's length negotiations and is not considered to be a related party transaction.

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 to report during the month of March 2021.

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 to report during the month of March 2021.

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

None to report during the month of March 2021.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trademarks.

None to report during the month of March 2021.

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

None to report during the month of March 2021.

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

None to report during the month of March 2021.

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 to report during the month of March 2021.

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

None to report during the month of March 2021.

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

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Common Shares	2,476,813	Common Shares issued pursuant to the exercise of warrants	\$1,003,109.27; general working capital and to fund potential future acquisition opportunities.

(1) Aggregate proceeds and intended allocation of proceeds

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

None to report during the month of March 2021.

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

During the month of March 2021, the Issuer added Terry White as the Issuer's Senior Vice President of Operations.

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 detailed in the Issuer's Form 2A - Listing Statement dated July 16, 2018 (the "Listing Statement"), under the heading "Item 17. Risk Factors" and the Issuer's Management Discussion and Analysis dated March 1, 2021 (the "MD&A"), under the heading "Risk Factors". The Listing Statement was posted on the CSE website on July 17, 2018, and the MD&A can be viewed under the Issuer's profile on SEDAR (www.sedar.com) and on the Issuer's Disclosure Page in its Form 5, Quarterly Listing Statement, dated March 1, 2021, on the Canadian Securities Exchange's website.

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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 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 April 6, 2021

Eli Dusenbury
Name of Director or Senior Officer

/s/ Eli Dusenbury
Signature

Chief Financial Officer
Official Capacity

<i>Issuer Details</i> Name of Issuer Chemesis International Inc.	For Month End March 2021	Date of Report YYYY/MM/DD 2021 / 04 / 06
Issuer Address Suite 2200, 885 West Georgia Street Vancouver, British Columbia, V6C 3E8	Issuer Fax No. N/A	Issuer Telephone No. 604-398-3378
Contact Name Eli Dusenbury	Contact Position Chief Financial Officer	Contact Telephone No. 604-398-3378
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