

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Nepra Foods Inc. (the "Issuer").

Trading Symbol: NPRA

Number of Outstanding Listed Securities: 36,641,376

Date: February 4, 2022

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, through its wholly-owned subsidiary, Nepra Foods, Ltd., operates as a vertically integrated healthy plant-based food and ingredient company. The Issuer's products include several products ranging from plant-based meat and

dairy alternatives to snacks and baked goods, supported by a line-up of specialty ingredients.

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

During the month of January 2022, management's activities consisted of:

- Issuing a letter from the CEO providing a corporate update and strategic plans for 2022;
- hiring of Eric Kriegisch as Vice President of Ingredient Sales as of January 1, 2022;
- signing a lease agreement with Farnam Street Financial, Inc. for the lease of USD\$1.2 million equipment for a period of 24 months;
- granting 270,000 restricted share units and 100,000 stock options to employees; and
- obtaining approval for the Issuer's uplisting to the the United States OTCQB® Venture Market under the trading symbol NPRFF.

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.

There were no new products or services developed or offered during the month of January 2022.

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 during the month of January 2022.

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.

On January 24, 2022, the Issuer announced entered into a lease agreement (the "Agreement") with Farnam Street Financial, Inc. ("Farnam Street") pursuant to which Farnam Street will lease to the Company food processing equipment costing a total \$1,200,000 USD for a period of 24 months (the "Lease"). Pursuant to the Agreement, Farnam Street will retain ownership of the Lease for the entire lease term. In the event that Nepra receives a bona fide offer from a third party (a "Third

Party Offer") to lease equipment to the Company, Farnam Street will have the right of first refusal to lease the equipment which is the subject of the Third Party Offer to Nepra on the same terms and conditions of the Third Party Offer. Farnam Street is not a Related Person of the Issuer.

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.

There were no expiry or termination of any contracts or agreements or cancellation of any financing agreements during the month of January 2022.

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 acquisitions or dispositions of the Issuer's assets during the month of January 2022.

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

There were no acquisitions of new customers or loss of customers during the month of January 2022.

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 during the month of January 2022.

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

On January 18, 2022, the Issuer announced the hiring of Eric Kriegisch as Vice President of Ingredient Sales as of January 1, 2022, reporting directly to CEO David Wood. In his role, Eric will lead the development, management, and expansion of Nepra's wholesale ingredient business with the goal of doubling revenue by the end of 2022. This includes identifying synergistic opportunities with the company's consumer packaged goods (CPG) and institutional foodservice market verticals to monetize all ingredient input materials.

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

There were no labour disputes during the month of January 2022.

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.

There were no legal proceedings to which the Issuer became a party during the month of January 2022.

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

There was no indebtedness incurred or repaid by the Issuer during the month of January 2022.

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

On January 24, 2022, the Issuer announced that it has granted a total of 270,000 restricted share units ("RSUs") to certain of its employees pursuant to the Company's 2021 Stock and Incentive Plan (the "Plan"). The RSUs will vest in equal quarterly installments over a period of one year. The Company also granted stock options (the "Options") to acquire up to 100,000 common shares (the "Shares") of the Company to an employee, at the exercise price of \$0.68 per Share for a period of five years, subject to vesting requirements.

Security	Number Issued	Details of Issuance	Use of Proceeds⁽¹⁾
RSUs	270,000	Granted to employees pursuant to the Plan	N/A
Options	100,000	Granted to employees pursuant to the Plan	N/A
Shares	42,500	Conversion of vested RSUs	N/A
Shares	43,932	Conversion of Series III Convertible Note	N/A

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

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

There were no loans to or by Related Persons during the month of January 2022.

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

During the month of January 2022, there were no changes in directors, officers or committee members. As of January 31, 2022 the directors and officers of the Issuer are as follows:

David Wood	Director, CEO
Alex McAulay	Director, CFO and Corporate Secretary
Chadwick White	Director and CIO
David Breda	Director
Joel Leonard	Director
Marc Olmsted	Director
John Maculley	Chief Operating Officer

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

Plant based food products continue to experience significant sales growth in North America and Western Europe for a variety of reasons. Changing demographics is one reason for this trend as nutrition-conscious consumers become aware of the health benefits of protein in general and, more specifically, of the benefit of plant proteins over certain animal proteins. Food manufacturers in turn are motivated by simple economics to prefer inexpensive plant proteins over their more costly animal counterparts.

Health concerns caused by African swine flu, E. coli, Asian bird flu, mad cow disease and most recently, COVID-19 have provoked consumer concern that animal-based protein products may be unsafe. Consumers have begun to question the role of livestock agriculture in the spread of animal and human pandemics. Moreover, as a result of African swine flu as well as supply chain issues directly resulting from COVID-19, the world is currently experiencing meat shortages, which has led to higher prices on many animal protein products. Consumers faced with animal protein shortages may begin to explore plant-based protein options such as meat substitutes. This shift in consumption behaviour could be significant and lasting well beyond the pandemic. As a result, COVID-19 appears to be providing an unexpected boost to plant-based protein consumption.

Near-vegetarians, also called flexitarians, a growing group of consumers who choose meatless meals regularly but not exclusively, are also contributing to the trend favouring plant proteins. Responding to this new demographic, food manufacturers are taking advantage of the functional merits of plant proteins to create meat-free, high-protein foods.

While the demand for plant proteins is being driven by the health and wellness trend in the developed world, a possibly even larger force shaping the global protein ingredient industry is the growth of the middle-class consumer in the developing world. As consumers evolve from a subsistence living to earning incomes where – in their respective countries - they can be classified as middle class, they invariably spend a large portion of their new income on food.

In addition to the health and wellness trend in the developed world and the expanding middle class in the developing world, plant proteins are gaining popularity from the recognition that they offer a more environmentally friendly alternative to animal derived proteins. Consumers are considering the environmental footprint a product makes when making their purchase decisions. Production of animal proteins is viewed as less “environmentally economic” when compared to the production of plant proteins. Producers must feed plant protein to animals in order to produce animal proteins and animals are not efficient converters, pound for pound, of the proteins they consume. There is also a growing awareness of the large amount of greenhouse gases generated globally through livestock production. As a result of these factors, consumers are looking to food manufacturers to find more eco-friendly ways to produce food for humans.

In January 2019, a novel strain of coronavirus was reported in Wuhan, China. On March 11, 2020, the World Health Organization declared the outbreak to constitute a pandemic. The spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility. Governments and central banks have responded with monetary and fiscal interventions designed to stabilize economic conditions.

To date, the production of the Issuer’s products have not been materially impacted by these events, but its marketing activities have been impacted due to the suspension of in-store and in person marketing events causing the Issuer need to use differing and more costly marketing models.

While vaccination efforts are well underway in many countries, the duration and full economic impact of the COVID-19 pandemic, including as related to consumer spending habits remains uncertain. It is difficult to reliably estimate the duration of the impact, nor the severity, on the financial position and results of the Issuer for future periods, particularly as vaccination schedules and restriction orders are changing rapidly.

At the Issuer’s facilities it has instituted operational and monitoring protocols to ensure the health and safety of its employees and contractors, in consultation with local communities and following the advice of local governments and health authorities in Canada and the United States. These protocols include supporting physical distancing or enhanced protection through other means where physical distancing is not practical, increased hygiene practices, enhanced cleaning and disinfecting of high touch areas. The Issuer continues to monitor developments and mitigate risks related to the COVID-19 pandemic and modify its operations to seek to reduce impacts on the Issuer’s operations and business, which efforts may or may not be successful.

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 February 4, 2022.

Alexander McAulay
Name of Director or Senior Officer

"Alexander McAulay"
Signature

Chief Financial Officer
Official Capacity

Issuer Details	For Month End	Date of Report YY/MM/DD
Name of Issuer		
Nepra Foods Inc.	January 2022	2022/02/04
Issuer Address		
220 – 333 Terminal Avenue		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Vancouver, BC V6A 4C1	N/A	720-729-8500
Contact Name	Contact Position	Contact Telephone No.
David Wood	CEO	720-729-8500
Contact Email Address	Web Site Address	
david.wood@neprafoods.com	www.neprafoods.com	