

FORM 7
MONTHLY PROGRESS REPORT
For the Month of March, 2021

Name of CSE Issuer: **Pure Extracts Technologies Inc. (the “*Issuer*”, the “*Company*” or “*Pure Extracts*”)**

Trading Symbol: **PULL**

Number of Outstanding Listed Securities: **97,282,528 common shares**

Date of filing: **April 5, 2021**

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 Company has been granted its Standard Processing License by Health Canada under the Cannabis Act and is undertaking the operations of toll processing, white labelling, and developing its own private label of products incorporating its full spectrum THC and CBD based extracted oils. Additionally, Pure Extracts is presently expanding its business to include functional mushrooms extraction by working on functional mushroom extraction processes compatible with its existing infrastructure. Pure Extracts has a fully built CO₂ extraction facility built to European Union GMP standards and intends to seek EU-GMP certification of its operations allowing it to export its products for sale in Europe where such products are legal.

- **On March 4, 2021, the Company announced that its wholly owned subsidiary, Pure Mushrooms Corp., has submitted an application to Health Canada for a Dealer’s Licence under the Controlled Drugs and Substances Act (CDSA).**

A Dealer’s Licence could allow for the following activities:

- **Procurement of controlled substances, including by import, synthesis, propagation, cultivation and harvesting of psychedelic mushrooms for psilocybin extraction**
 - **Research and manufacture of controlled substances such as psilocybin and psilocin**
 - **Business-to-business sale of controlled substances, including by export**
 - **Sale of controlled substance via pharmacies**
2. Provide a general overview and discussion of the activities of management.
Please see item 1.

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.
- **On March 3, 2021, the Company announced that its wholly owned subsidiary, Pure Extracts Manufacturing Corp., has ordered in excess of 30,000 vape cartridges and vape pens for the Canadian market. Demand for these types of concentrates is strong in the 4 provinces (British Columbia, Alberta, Saskatchewan and Ontario) that the Company is targeting for its retail launch and revenue estimates for this shipment are approximately \$650,000.**
 - **On March 11, 2021, the Company announced that it has sold its first batch of cannabis oil extracts to a German pharmaceutical company. This initial sale will pave the way for longer term supply agreements into Germany, Europe's most important market and the Company plans to continue seeking export opportunities for its products in other European countries wherever they can be legally sold.**
 - **On March 16, 2021, the Company announced that its wholly owned subsidiary, Pure Mushrooms Corp. ("Pure Mushrooms"), has ordered its first shipment of functional mushrooms from its British Columbia co-packer. Each formulation has the potential to generate \$15,000 in gross sales per month.**
 - **On March 25, 2021, the Company announced that it has purchased over 500 kg of high potency dry cannabis flower in preparation for the launch next month of retail sales of its Pure Pulls vapes and Pure Chews edible gummies.**

Demand for these types of products is strong in the 4 provinces (British Columbia, Alberta, Saskatchewan and Ontario) that the Company is targeting for its retail launch and revenue estimates associated with this shipment are just over \$1,000,000.

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 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.

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

None.

8. 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.

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

None.

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

None.

11. 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.

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

None.

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

- **In the month of March, 16,895,491 common shares were issued pursuant to conversion of special warrants at \$0.505**
- **On March 8, 2021, the Company announced that, further to its press release on January 21, 2021, its final base shelf prospectus (the "Base Shelf Prospectus") has been filed with the securities commissions in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia and Prince Edward Island ("Qualifying Jurisdictions"). A final receipt for the Base Shelf Prospectus was received on March 4, 2021.**

Following completion of the approval process, the Company has filed a prospectus supplement (the "Prospectus Supplement") in the Qualifying Jurisdictions to qualify the issuance of 16,895,491 common shares (the "Underlying Shares") and 8,447,739 common share purchase warrants (the "Underlying Warrants") issuable upon conversion of the 16,895,491 outstanding special warrants of the Company (the "Special Warrants") that were announced in the Company's press releases of January 5, 2021 and January 21, 2021. The Special Warrants will automatically convert, and the Underlying Shares and Underlying Warrants will be issued, on March 10, 2021 in accordance with the terms of the Special Warrants.

- On March 9, 2021, the Company announced that it has received approval from the Canadian Securities Exchange (the “CSE”) to list, as a supplemental listing on the CSE, a total of 8,447,739 common share purchase warrants (the “Warrants”) of the Company as a single class. The Warrants are being issued on conversion of 16,895,451 special warrants of the Company (the “Special Warrants”) as announced in the Company’s press releases on January 5, 2021 and January 21, 2021. The Warrants are expected to commence trading on the CSE under the symbol “PULL.WT” at the open of the market on March 10, 2021.

The Warrants are governed by a warrant indenture agreement between Pure and AST Trust Company (Canada) (the “Indenture”). In accordance with, and subject to the terms and conditions of, the Indenture, each Warrant will entitle the holder thereof to acquire one common share of the Company (each, a “Warrant Share”) upon payment of the exercise price of \$0.65 per Warrant Share prior to March 10, 2023.

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

None.

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

None.

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

None.

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

Dated: April 5, 2021

Yana Popova
Name of Director or Senior
Officer

"Yana Popova"
Signature

Chief Financial Officer
Official Capacity

Issuer Details		
Name of Issuer Pure Extracts Technologies Corp.	For Month End March, 2021	Date of Report YY/MM/DD 2021/04/05
Issuer Address 7341 Industrial Way		
City/Province/Postal Code Pemberton, BC, V0N 2K0	Issuer Fax No. ()	Issuer Telephone No. 1 (604) 328-5598
Contact Name: Yana Popova	Contact Position: CFO & Director	Contact Telephone No. 1 (604) 328-5598