

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: EXMceuticals Inc. (the "Issuer").

Trading Symbol: EXM

Number of Outstanding Listed Securities: 39,520,501

Date: February 29, 2020

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.

In late 2019 the Issuer obtained the official full license for cannabis research and development from the Portuguese National Authority of Medicines and Health Products (INFARMED). This license now allows the Issuer to research and refine cannabinoids and cannabis by-products

inside Portugal / Europe, as well as to operate the existing R&D facility. Operations at the licensed facility have now commenced fully and sample amounts of cannabis are being used for initial research as well as for the calibration of all laboratory equipment.

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

Management of the Issuer continued to work very closely with the relevant Portuguese authorities and our retained consultants regarding the overall and future licensing for the anticipated commercial expansion of the issuers Portuguese activities. Management has also been assisting with drafting on the expansion and factory plans for the commercial operations that are now the main focus, given that the R&D license has been issued. The Issuer still plans to commence the filing for an industrial and commercial license within one month from today, although this has been delayed.

There has been a change of the location site of the refinery made necessary by the confirmation that there was insufficient power available at the previous site to run all the operations that are intended, including now, the extraction activities, and this could have taken up to 9 months to remedy. The alternative site that has been secured is advantageous in other respects also, not only with a largest area, but also with more operational space to different activities. This change of sites has caused a 1 month delay.

Management is also in active discussions with other third party potential sources and growers of cannabis and hemp biomass and extract, within Portugal and also outside Europe, that could be used to fill resource requirements for the industrial facility. Discussions with one very significant US based partner are ongoing.

Management also continues to actively discuss about how to proceed with all of its established or planned African farming operations, especially those in the DRC, and Uganda, given the increasingly stringent importation guidelines that are being established by Portugal and the European Union with regard to GAP/GMP practices.

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.

The Issuer is now able, via its Portugal subsidiary, to commence its cannabis R&D activities. This work will largely be devoted to work for the parent company, but we are now in active discussions with other groups who we could provide R&D services for (on a commercial basis).

EXM is now completely focused on finalising all the details for the proposed refinery build in Setubal, south of Lisbon, focusing on the OPEX, CAPEX as well as the flow sheet, and the associated economic model.

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.

Not applicable

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.

The Issuer has set up a new holding company in Holland, called EXM Holdings BV, which will become the new holding company for the majority of the companies operational assets, replacing EXM Holdings BV ST Maarten. It is planned that all the relevant assets and holdings will be transferred over during the month of March.

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.

Not applicable

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.

Not applicable

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

Not applicable

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.

Not applicable

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

Not applicable

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

Not applicable

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.

Not applicable

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

Not applicable

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

Security	Number Issued	Date Issued	Exercise Price	Expiry Date
Stock Options ⁽¹⁾	2,000,000	February 5, 2020	\$2.00	February 5, 2023

(1)These stock options were issued outside of the Issuer’s 2019 Omnibus Equity Incentive Compensation Plan.

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

Not applicable

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

Michael Finley, the CFO of the Issuer, was appointed as a director.

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

Other trends and risks which are likely to impact the Issuer are discussed in the Issuer’s Form 2A Listing Statement dated January 28, 2019 and filed on the CSE website and SEDAR. The Issuer’s audited annual financial statements (the “Annual Financials”) and corresponding management’s discussion and analysis (the “Annual MD&A”) for the year ended June 30, 2019 also discuss risks which are likely to impact the Issuer. The Annual Financials and Annual 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: March 5, 2020.

Jonathan Summers
Name of Director or Senior
Officer

/s/ "Jonathan Summers"
Signature

Chairman and CEO
Official Capacity

Issuer Details	For Month	Date of Report
Name of Issuer	End	YY/MM/DD
EXMceuticals Inc.	February 2020	20/03/05
Issuer Address 421 7th Avenue S.W., 30th Floor		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Calgary, Alberta, T2P 4K9		587.390.8541
Contact Name	Contact Position	Contact Telephone No.
Julie Lemieux	Corporate Secretary	587-390-8541
Contact Email Address	Web Site Address	
julie@exmceuticals.com	www.exmceuticals.com	