

## **FORM 7**

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: CB2 Insights Inc. (the "Issuer").

Trading Symbol: CBII

Number of Outstanding Listed Securities: 79,997,556

Date: July 04, 2019

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.

*On June 24, 2019 the Issuer announced the date of its first Annual General Meeting (AGM) and Special Meeting of Shareholders on June 27, 2019 at 10am EST at its head office at 5045 Orbitor Drive, Mississauga, ON.*

## **Corporate Strategic Update**

*The AGM will provide an opportunity for CB2 Insights to present its shareholders, in-person, the latest updates and future growth opportunities aligned with its mission to be the largest aggregator and provider of Real World Data and Evidence (“RWD” and “RWE”) related to the safety, efficacy and effectiveness of medical cannabis and cannabis derived medications.*

*Following a transformative year in 2018 and year-over-year and sequential growth in the first quarter of 2019, both organically and through M&A activity, the Company continues its effort to drive towards profitability. The Company operates an already profitable clinical business model, which generated over 15% positive EBITDA in Q1 2019, with these additional cash flows being reinvested into the technology and data insights divisions. The Company has made significant improvements in its overall EBIDTA results and will continue to drive towards achieving a profitable consolidated business model.*

*The Company is uniquely positioned to capture value today as the largest clinical network in the US serving over 85,000 patients annually with a variety of health indications leveraging medical cannabis therapy as well as now looking to expand internationally to capture new opportunities to increase its global patient registry. Its position as a healthcare focused operation alleviates concerns and challenges faced by a volatile cannabis industry with the vast majority of regulations and subsequent restrictions placed on companies that directly touch or service the plant itself.*

*The Company has already begun its alignment with global leaders in the phytopharmaceutical industry and with international clinical providers to expand its patient registry and data monetization opportunities. The Company anticipates it will achieve new revenues streams from its data assets by the end of 2019. Its strong clinical network has enabled the Company to develop new data-specific revenue channels from pharmaceutical and phytopharmaceutical companies seeking to develop clinical trials for both prospective and retrospective studies. These studies have since lead to the ability for manufacturers to better understand opportunities for developing safety and efficacy claims used in the registration process with regulators and insurance providers to support deeper product commercialization strategies. These new developments have validated the Company’s strategy to harness its network of patients and physicians thereby creating a vehicle for participation in clinical trials using necessary protocols and informed patient consent while enabling new revenue streams to complement the Company’s already profitable clinical business model.*

*“We continue our move to become the leading independent provider of clinical research and the industry’s premier data insights platform for clinically-led Real World Evidence studies,” said Prad Sekar, CEO, CB2 Insights. “Today pharmaceutical and phytopharmaceutical companies spend hundreds of millions of dollars on clinical trials and data to support their R&D and product commercialization efforts. We believe we are very well positioned to be a valuable and trusted source of data to support these efforts. We have been*

*fortunate and appreciate the support of some of the largest institutional investors in the cannabis industry who are allowing us to grow aggressively and scale our business to profitability.”*

*The Company has been backed by leading institutional funds in the cannabis industry, including but not limited to, Merida Capital, Phyto Partners, Arcadian Fund, Cannabis Growth and Opportunity Corp and Quinsam Capital. Merida Capital, who previously led the Company’s go-public round with \$3.7 million of the total \$5.7 million capital raised, recently upsized their position in their promissory note to the Company in support of the Company’s continued drive to profitability and strategic growth opportunities that exist in the near-term. Merida has agreed to increase principal amount of the original promissory note from US\$2,400,000, to US\$3,000,000 and to extend the term of the note from June 2020 to December 2020. In addition, interest rate payable under the note has decreased from 15% to 12% per annum and will be payable in shares of Company based on a discounted rate. Interest accrued to June 6, 2019 will be paid with the issuance of 1,219,520 shares, subject to approval of the CSE. In addition, Merida has agreed to exchange the amended promissory note for a convertible debenture when the Company’s shares trade at or above \$0.50, subject to CSE approval.*

*The Company looks forward to hosting shareholders at the upcoming Annual General Meeting of Shareholders. Any presentation slides or other material containing any otherwise information not previously disclosed will be posted to the Company’s website at the close of the meeting.*

*On June 25, 2019 the Issuer announced that it will take over patient care for one of New Jersey’s largest medical cannabis evaluation and education clinic groups on July 1, 2019. New Jersey Alternative Medicine (“NJAM”) will transfer all patient care to CB2 Insights under a performance-based agreement. CB2 will operate within the State of New Jersey under the Company’s Canna Care Docs brand, the largest multi-state medical cannabis clinic operator in the US. The acquisition of assets of NJAM will require no cash or stock payments upon closing.*

*“New Jersey is an exciting market for CB2; with over 50,000 active patients and growing across the state, and further advancements to the medical cannabis program to expand on indications and patient access, NJAM, who has already captured care of more than 25% of the market, will provide CB2 with a solid base of patients and revenue to capitalize on the growth this state will continue to see,” said Prad Sekar, CEO, CB2 Insights. “We continue to expand on our commitment to grow our market share in the US, through M&A and organic growth activities, while ensuring that growth provides immediate revenue recognition and a drive to consolidated profitability. By acquiring the assets of NJAM and assuming their patient care, we will become one of the dominant players in the state of New Jersey and provide shareholders with near term revenue growth and longer-term aggregate data growth by adding an additional 15,000 patients to our registry.”*

*New Jersey Alternative Medicine currently operates 6 clinics throughout the state, servicing over 15,000 patients. The decision to transition care to CB2 Insights comes at a time where the patients in New Jersey continue to seek out a standardized quality of care with an emphasis on education and support, all of which continue to remain the focus of the Company and the strength that it brings to each market it serves with an established and proven clinical operating model. CB2 plans to increase annual patient volumes through aggressive marketing programs and enhanced patient care, in line with each of its 3 clinical brands.*

*This announcement marks entry into the third new state for the Company since April 2019, following successful acquisitions of Relaxed Clarity and MedEval Clinics in Colorado and Arizona. As of July 1, the Company will operate nearly 40 medical cannabis evaluation and education centres across the US and provide telemedicine services to patients in Maine and New York.*

### **Deal Terms**

*No cash or other consideration will be payable at the time of closing. Over the next 13 months, CB2 Insights will pay a combination of cash and/or shares based on achievement of retained patient volumes where stock will be calculated at the 10- day VWAP at the time of issuance and where the first stock award will not be granted until a minimum of 90 days following the closing of the agreement. All securities issues will have a 4-month hold from the date of issuance. Also, CB2 Insights will not assume any of NJAM's liabilities including all indebtedness.*

2. Provide a general overview and discussion of the activities of management.  
*None other than as described in 1 above.*
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 other than as described in 1 above.*
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.  
*n/a*
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.  
*n/a*

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.

*n/a*

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.

*n/a*

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

*n/a*

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.

*n/a*

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

*n/a*

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

*n/a*

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.

*n/a*

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

*On December 19, 2018, the Issuer issued a promissory note to Merida Capital Partners ("Merida") ("Merida Note") and Merida advanced to the Company funds amounting to US\$2,400,000. The Merida Note was subsequently amended on June 24, 2019 to provide, among other things, for the payment of unpaid accrued interest to June 24, 2019 in the amount of US\$182,928 in shares of the Issuer.*

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

<b>Security</b>	<b>Number Issued</b>	<b>Details of Issuance</b>	<b>Use of Proceeds<sup>(1)</sup></b>
Common Shares	1,219,520	Debt Settlement	Debt Settlement

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

*n/a*

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

*n/a*

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

### **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 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 July 4, 2019.

Kash Qureshi

Name of Director or Senior  
Officer

"signed"

Signature  
COO

Official Capacity

<b>Issuer Details</b> Name of Issuer CB2 Insights Inc.	For Month End June	Date of Report YY/MM/D 19/07/04
Issuer Address  5045 Orbitor Drive		
City/Province/Postal Code Mississauga, ON L4W 4Y4	Issuer Fax No. (   )	Issuer Telephone No. (855) 874-4999
Contact Name Catherine Beckett	Contact Position Manager Corporate Affairs	Contact Telephone No. 416-642-1807

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