

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: **Global Cannabis Applications Corp. (the "Issuer")**

Trading Symbol: **APP**

Number of Outstanding Listed Securities: **169,685,404 (as at January 31, 2021)**

Date: **February 1, 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 global leader in designing, developing, marketing and acquiring innovative data technologies for the cannabis industry. The Citizen Green platform is the world's first end-to-end – from patient to regulator – medical cannabis data solution. It uses core technologies: mobile applications, artificial intelligence, regtech, smart databases, and blockchain, to qualify candidates for clinical studies. These technologies facilitate the proliferation of digital conversations by like-minded people in the medical cannabis community. Managed by digital and cannabis industry experts, the Issuer is focused on viral global expansion by providing the best digital experience in the cannabis market.

During the month of January 2021, the Issuer continued with general and corporate operations with no changes to material activities.

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

During the month of January 2021, management continued to support and control the Issuer's business activities with a focus on creating broader awareness of the Issuer and continued development of product line.

In addition:

On January 4, 2021 the Company announced it has signed a Citizen Green Efixii ("Efixii") Reseller & License Agreement ("Agreement") with Transparent-C Ltd. ("Transparent-C"), a provider of regulatory and professional services to Israeli medical cannabis market participants. Following on from October's 3-year SaaS license sale of Efixii to the Israeli grower Bless Cultivation Ltd., GCAC continues to expand its international business development footprint with this Agreement. Transparent-C are now licensed to resell all GCAC SaaS products in Israel for a 20% revenue share of the cash received by GCAC, and at no upfront or recurring cost to GCAC. The nascent Israeli medical cannabis market is currently valued at \$233 million annually, with more than 74,000 Israelis already having doctors' approval to medicate using cannabis¹. Efixii continues to generate significant interest amongst Israeli growers as a means to reduce the cost of both grow and export compliance, as well as being a complimentary technology for enhanced customer consumption monitoring, as required by Israeli law. "After witnessing the very positive feedback from the Israeli medical cannabis regulator regarding the use of Efixii as a compliance tool, we decided that we just had to market Efixii to all Israeli cultivators, retailers and exporters. We are delighted to become GCAC's 'boots on the ground' here in Israel" said Eliran Avitan, co-founder of Transparent-C. Brad Moore, CEO of GCAC said, "Our revenue model of Efixii licensing plus data sales generates CDN\$.38/ gram for us. As such this reseller agreement into Israel with it growing consumer bases will be a big part of GCAC achieving its first and second year sales targets. Just as importantly we can perfect our go-to market strategy for what I see as the larger future opportunity with Transparent-C, and that's for our us to expand Israeli exports of cannabis to Europe by operating the most transparent cannabis disclosure platform in the world." The Agreement allows Transparent-C to pay for bespoke software enhancements to Efixii for their clients and regulator. Such enhancements are licensed exclusively to Transparent-C during the term of the Agreement. All enhancements remain the sole intellectual property ("IP") of GCAC. Under the Agreement, all GCAC derived cannabis data is the intellectual property ("IP") of GCAC. GCAC's IP creates an inherent difficulty in replicating, or directly competing with GCAC's medical cannabis datasets. GCAC defined their protocols in a provisional patent 1 <https://www.haaretz.com/israel-news/.premium-israeli-supermarket-giant-strikes-deal-to-sell-low-cost-medicalcannabis-1.9396335> 2 PO Box 43, Suite 830, 1100 Melville Street Vancouver, BC Canada V6E 4A6 application, 'System of Process and Tracking Cannabis Products and Associated Method Using Blockchain' as filed with the U.S. Patent and Trademark Office on December 17, 2020.

On January 7, 2021 the Company announced it has closed its nonbrokered private placement (the "Private Placement"). Pursuant to the Private Placement, the Company has issued 8,400,000 units at a price of \$0.05 per unit (the "Financing Units") for gross proceeds of \$420,000 and 3,160,000 units at a deemed price of \$0.05 per unit (the "Settlement Units") to settle an aggregate of \$158,000 in debt to various creditors of the Company. Each Financing Unit and Settlement Unit consists of one common share and one common share purchase warrant (a "Warrant"), whereby each Warrant entitles the holder to purchase one additional common share of the Company for a period of two years from closing at an exercise price of \$0.10 per common share. In connection with the Private Placement, the Company paid finders' fees of \$18,000 and issued 360,000

finders' warrants. Each finders' warrant bears the same terms as the Warrants. Net proceeds from the Private Placement will be used for working capital and general corporate purposes. All securities issued in connection with the Private Placement are subject to a statutory hold period of four months from the date of issuance.

On January 20, 2021 the Company announced it has signed a definitive Data Sales Service Agreement ("Agreement") with Alqami. The partnership will enable GCAC to leverage Alqami's global buyer network and license the data generated by GCAC's suite of medical cannabis software solutions. GCAC continues to expand the Efixii recurring revenue sales channel by licensing on a subscription basis its anonymized medical cannabis data assets to investment managers and large corporate wanting to understand consumer behaviour, the efficacy trends and those impacts on companies within the industry. Company expects Efixii data license revenue to almost double its per-gram income by yielding a further \$0.18/gram on top of its forecast \$0.20/gram for Efixii QR code SaaS licensing. Alqami is the right partner for GCAC as it specializes in unlocking data potential through its network of data exchange partners and its goal is to maximize the worth of Efixii data. Efixii data can be used by third parties to drive investment and business decisions, including leading hedge funds, large medical cannabis industry stakeholders, pharmaceutical companies, and many others. Under the Agreement, all GCAC derived cannabis data is the sole intellectual property ("IP") of GCAC and Alqami does not gain access or acquire any rights to the IP. GCAC licenses its data directly with data exchange parties, as introduced by Alqami, and grants commercial access to relevant data assets subject to a bi-party, recurring-revenue, subscription agreement. GCAC's IP is secured and is a valuable intangible asset. The IP's proprietary nature creates an inherent difficulty to replicate, or directly compete with other medical cannabis datasets in the market. Samantha Campbell, Co-founder and CEO, Alqami, commented "The medical cannabis market is growing rapidly across the globe. The ability to determine efficacy of specific strains and track those from seed to application is an area that has not yet been utilised by the investment management community. We look forward to working with GCAC to help fill this information market gap." Brad Moore, CEO of GCAC said, "This new sales agreement contract brings together my total revenue model vision of SaaS licensing plus data sales. Our two-year revenue target is based on \$0.38/gram with nearly 128 million grams under contract. Our per-gram cultivator deals come in many sizes, starting at 500 kilograms, growing to many millions of grams per cultivator. With these critical commercial pieces now in place, we're marketing the Efixii application to end consumers with the goal to educate them on why using medical cannabis products grown using Efixii is much safer and produces a better patient outcome."

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 January 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 January 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.

None to report during the month of January 2021.

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 January 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 January 2021.

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

None to report during the month of January 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 trade-marks.

None to report during the month of January 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 January 2021.

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

None to report during the month of January 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 January 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 January 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 (warrant exercise)	3,259,608	Warrants exercised between \$0.085 and \$0.135 per warrant share.	Aggregate proceeds: \$352,400 General working capital
Common shares (option exercise)	100,000	Options exercised at \$0.10 per option share	Aggregate proceeds: \$10,000 General working capital
Common share purchase warrants	Nil	Not applicable	Not applicable
Stock options	175,000	Options exercisable at \$0.17 expiring 1/16/2026	Not applicable

(1) State 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 January 2021.

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

None to report during the month of January 2021.

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

Trends and risks, which may impact the Issuer, are detailed in Item 17, Risk Factors, of the Issuer's Form 2A – Listing Statement dated October 16, 2014.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

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 February 1, 2021

Bradley Moore
Name of Director or Senior Officer

/s/ Bradley Moore
Signature

Chief Executive Officer, Director
Official Capacity

Issuer Details Name of Issuer Global Cannabis Applications Corp.	For Month End January 31 2021	Date of Report YY/MM/DD 21/02/01
Issuer Address Suite 830, 1100 Melville Street Vancouver, BC V6E 4A6	Issuer Fax No. N/A	Issuer Telephone No. (855) 269-9554
Contact Name Bradley Moore	Contact Position CEO, Director	Contact Telephone No. (855) 269-9554
Contact Email Address info@cannappscorp.com	Web Site Address www.cannappscorp.com	