

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: **CanaFarma Hemp Products Corp.** (the "Issuer").

Trading Symbol: **CSE: CNFA**

Number of Outstanding Listed Securities (March 31, 2020): **187,315,518 Common Shares**

Number of Outstanding Convertible Securities: **57,000 Proportionate Voting Shares**

Date: **June 4, 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.

During the month of May, the Issuer continued to advance its business plan as outlined in the Prospectus of the Issuer dated February 27, 2020. The Issuer announced a private placement for US \$20 million, its new Acne cream product, an investor relations agreement with ProActive Investors and an outline of its future product development plans.

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

During the month of May, management continued to pursue the company strategy of building out a farm to table company and was involved in discussions concerning

additional grow farms in both New Jersey and New York States, and considering opportunities to acquire both manufacturing and extraction facilities. Due diligence is now underway on the manufacturing facility in respect of which a non-binding LOI was signed in April. Furthermore, the Issuer is working on formulations for new products in the Confectionary, Beauty and Pain Relief vertical industries.

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 announced that its research and development division is developing new hemp-oil infused products for skincare. The first product in this new line is a hemp oil infused cream designed to help combat skin conditions related specifically to Acne.

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.

The Issuer entered into two new contracts in May: (i) The CSE approved Independent Trading Group as the Issuer's market maker; and (ii) the Issuer hired Proactive Investors as its investor relations agent.

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.

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.

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

The Issuer uses an Internet-based direct-to-consumer marketing model and is therefore signing up new customers on a daily basis. It is further the intent of the Issuer to sign up these customers to a subscription agreement whereby CanaFarma delivers product to its customers on a monthly schedule, thereby retaining the customers on a long-term basis.

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.

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

None.

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

None

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.

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

None.

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

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Nil	Nil		

(1) State aggregate proceeds and intended allocation of proceeds. **N/A**

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

None.

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

Mr. Frank v. Barone had been promoted to Chief Operating Officer of the Issuer in the previous month and Ms. Cicely Parada was hired as the Issuer’s controller.

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

The Issuer may be impacted by the emerging and ongoing COVID-19 pandemic and resulting economic crisis. The crisis is expected to result in substantial economic uncertainty and unemployment. In addition to impacting potential sales, the crisis may also impact the Issuer’s production and delivery capabilities.

The Issuer may also be impacted by seasonal trends related to the industry, in particular relating to its growing and sale of hemp biomass.

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: June 4, 2020.

David Lonsdale
Name of Director or Senior Officer

signed "David Lonsdale"

Signature

Chief Executive Officer
Official Capacity

Issuer Details		For Month End	Date of Report
Name of Issuer CANAFARMA HEMP PRODUCTS CORP.		May 2020	YY/MM/D 20/06/03
Issuer Address 2080 – 777 Hornby Street			
City/Province/Postal Code Vancouver, British Columbia V6Z 1S4		Issuer Fax No. ()	Issuer Telephone No. (214) 704-7942
Contact Name David Lonsdale		Contact Position CEO	Contact Telephone No. (214) 704-7942
Contact Email Address david@canafarmacorp.com		Web Site Address canafarmacorp.com	