

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Chemistree Technology Inc. (the "Issuer").

Trading Symbol: CHM

Number of Outstanding Listed Securities: 36,588,430 common shares and 21,639,500 warrants

Date: as of April 30, 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.

The Company has entered into a financing agreement with The Physician's Choice CBD LLC of Phoenix, Arizona. The Physician's Choice CBD (PCCBD) is dedicated to research, development and utilization of the highest quality of hemp-derived cannabidiol (CBD) combined with well-studied and effective supplements specific

to help regulate and support various symptoms. The integration of extensive physician clinical experience combined with exhaustive expertise in the cannabis industry has led to the creation of The Physician's Choice CBD.

Established in 2018, PCCBD has developed a suite of nine full spectrum CBD from hemp products ranging from pain/inflammation management to sleep and wellness supplements. In its first quarter of sales ended January 2019, the company booked approximately \$150,000 in sales. The products are available for purchase at the PCCBD website and distributed through health care providers across the United States. The Physicians Choice CBD offers complete wholesale programs as well as a referral program compensating health care providers on purchases from codes provided to their patients.

Chemistree is also actively advancing its 9.55-acre Desert Hot Springs land package. The design team is currently in the process of finalizing plans for two 64,000-square-foot greenhouses and 40,000-square-foot manufacturing and distribution facility for submission to the City of Desert Hot Springs. The Company expects City review to be completed by the third quarter of this year. The project continues to track on schedule, with completion targeted for the first quarter of 2020.

The Company's wholly-owned United States subsidiary, American CHM Investments Inc., has signed a letter of intent (LOI) to partner with Applied Cannabis Sciences (ACS) of New Jersey, a New Jersey-based medical retail dispensary applicant in the upcoming New Jersey round of request for applications (RFA), which is anticipated in 2020. Applied Cannabis Sciences has been established by a team of seasoned professionals from the legal medicinal and adult-use marijuana industry, with collective experience exceeding 50 years and includes over 20 cultivation, processing and manufacturing licenses across four states (Washington, Oregon, California and Colorado) within the United States. The Applied Cannabis team is predominantly made up of professionals that reside and currently operate from New Jersey and maintain multiple strategic relationships. Recently appointed Chemistree board member Nico Escondido is a founding member of the Applied Cannabis team. The application, if successful, will provide Applied Cannabis with a fully integrated cultivation, manufacturing/processing and retail sales license in the state of New Jersey of which there are currently only 12 issued.

Sheldon Aberman has been appointed to the newly created position of chief cannabis officer. This addition will further strengthen its team and advance the Company's international expansion strategy, cultivation practices and results in terms of yield, quality, consistency and cost-effectiveness as it continues to execute across these areas and solidify its position as a world leader within the industry. Mr. Aberman has a well-earned reputation as one of the world's foremost experts on commercial cannabis cultivation; he has decades of experience in managing and designing thousands of grows worldwide. His expertise, hands-on approach and product development background have led to top-quality grow room design and construction. Additionally, he has created several multimillion-dollar

industry partnerships and other ventures, such as Quantum Horticulture, Pure Essentials Black Label and Cannabis Consulting Co., whose various products and services have been implemented, utilized and run in thousands of grows globally.

Effective April 5, 2019, Mr. Nicholas Zitelli was appointed as an additional director. Mr. Zitelli is currently part-owner, director and chief cannabis officer of Trans High Corporation, the parent company for all High Times brands, including its 45-year-old flagship magazine, as well as all related media and event platforms, including the iconic Cannabis Cup. Since 2007, Mr. Zitelli has written hundreds of articles covering all aspects of cannabis science and technology under the pen name of Nico Escondido. In this capacity, Mr. Zitelli has garnered a reputation as an industry expert in the areas of cultivation, genetics, garden technologies, lab testing, and regulatory and compliance measures. This has led to numerous appointments as a state-hired agent for committee, legislation and policy consultation in numerous jurisdictions across North America and the European Union.

In addition, during the month Chemistree continued with plans to optimize the Washington Assets through an expansion of the facilities, presently estimated to cost approximately US\$500,000, and the entry into a license agreement and sub-lease with a Strategic Partner who will operate the assets, which is currently expected to occur in or about May 2019; Advanced planning continues for the expansion of the facility, and the establishment of a processing and manufacturing operation. Chemistree has received reports from its Washington State licensee partner that further advancements have been made in crucial areas of its cultivation facility, including:

- Appointment of a new head cultivator;
- Hiring of a full-time general manager;
- Upgrading of 288 grow lights in flower and sale of retrofitted lights for \$30,000 (U.S.). Lights now installed were on hand and did not present an additional operational cost;
- Improvement of crop yields by 20-plus per cent expected with new lights;
- 25-per-cent expansion of the retail points of sale offering Sugarleaf products;
- Increase to product SKUs by 20 per cent (new products include popular diamonds, live resin, RSO and crumble).

The Issuer continued the digital marketing campaign commenced in November. In April, Chemistree re-engaged Native Ads to provide, manage and consult on a wide variety of marketing and digital marketing initiatives for the Company. The aim of the campaign is to link the Company's social media marketing strategies with an expanded online marketing initiative; targeting an expanded awareness of the Company from a media, public and investor relations perspective. Digital marketing will be an ongoing addition to the Company's marketing program with the specific aim to provide improved shareholder information flow as well as providing greater awareness of the Company's growing product lines and any new avenues of business and investment.

The Company wishes to inform shareholders that there are significant legal restrictions and regulations that govern the cannabis industry in both Canada and the United States.

Cannabis-related practices or activities are illegal under U.S. federal laws

The concepts of "medical cannabis" and "recreational cannabis" do not exist under U.S. federal law. The Federal Controlled Substances Act classifies "marihuana" as a Schedule I drug. Under U.S. federal law, a Schedule I drug or substance has a high potential for abuse, no accepted medical use in the United States, and a lack of safety for the use of the drug under medical supervision. As such, cannabis-related practices or activities, including without limitation, the manufacture, importation, possession, use or distribution of cannabis are illegal under U.S. federal law. Strict compliance with state laws with respect to cannabis will neither absolve the company of liability under U.S. federal law, nor will it provide a defence to any federal proceeding which may be brought against the company. Enforcement of U.S. federal laws will be a significant risk to the business of the company following the completion of the acquisitions, and any such proceedings brought against the company, may adversely affect the company's operations and financial performance.

Further information regarding the legal status of cannabis-related activities and associated risk factors, including, but not limited to, risk of enforcement actions, risks that third party service providers, such as banking or financial institutions, cease providing services to the company, and the risk that company may not be able to distribute profits, if any, from U.S. operations up to the company, will be included in the Form 2A listing statement to be filed with the CSE. The Company is comfortable with its near-term cash position and it is confident that the broad acceptance of cannabis-focused companies as exciting investment opportunities in Canada will expand to include companies like Chemistree focused on the far larger market available in those individual American states where cannabis is medically and/or recreationally legal. The Company's investigation into these opportunities continues, and, should any one of these opportunities mature, Chemistree may be required to make certain filings and changes to the company's listing disclosure under the requirements of Canadian Securities Exchange policies.

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

None to report

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.

See 1 above

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 within the period.

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.

See 1 above

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

See 1 above

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.

See 1 above

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

None to report

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

None to report

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

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

None to report.

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

Security	Number	Details of Issuance	Use of Proceeds⁽¹⁾
Common shares	1,450,000	Conversion of convertible debentures issued March 29, 2019 at a conversion price of \$0.50 per share.	\$725,000 reduction in long term debt payable by the Company
Common shares	754,341	Exercise of warrants issued with 2018 private placement at a conversion price of \$0.50 per share.	\$377,170.50 added to working capital
Common shares	20,500	Exercise of warrants issued with convertible debentures on March 29, 2019 at a conversion price of \$0.70 per share.	\$14,350 added to working capital
Options	1,300,000	Options granted to 11 eligible directors, officers, employees and consultants pursuant to the Company's Stock Option Plan. Each exercisable into one common share at \$0.60 per share until expiry 04/05/2024	None until exercised

(1) State aggregate proceeds and intended allocation of proceeds.

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

None in the period.

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

None to report.

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

As announced, the Company sees the cannabis industry as a source of focus. The reason for this is simply that marketing of cannabis companies, their products as well as information about the industry itself is in its infancy. Initially, the Pacific Northwest will be the Company's main target geography, but this is expected to expand from British Columbia and Washington state into California.

The Company wishes to inform shareholders that there are significant legal restrictions and regulations that govern the cannabis industry in both Canada and the United States. Chemistree will at all times abide by and respect these laws and regulations in all its future potential business engagements.

Cannabis-related Practices or Activities are Illegal Under U.S. Federal Laws

The concepts of "medical cannabis" and "recreational cannabis" do not exist under U.S. federal law. The Federal Controlled Substances Act classifies "marihuana" as a Schedule I drug. Under U.S. federal law, a Schedule I drug or substance has a high potential for abuse, no accepted medical use in the United States, and a lack of safety for the use of the drug under medical supervision. As such, cannabis related practices or activities, including without limitation, the manufacture, importation, possession, use or distribution of cannabis are illegal under U.S. federal law. Strict compliance with state laws with respect to cannabis will neither absolve the Company of liability under U.S. federal law, nor will it provide a defence to any federal proceeding which may be brought against the Company. Enforcement of U.S. federal laws will be a significant risk to the business of the Company and any such proceedings brought against the Company may adversely affect the Company's operations and financial performance.

Further information regarding the legal status of cannabis related activities and associated risk factors, including, but not limited to, risk of enforcement actions, risks that third-party service providers, such as banking or financial institutions cease providing services to the Company, and the risk that Company may not be able to distribute profits, if any, from U.S. operations up to the Company, are included in the Prospectus, the Company's annual information form and other documents incorporated by reference therein and in the Company's Form 2A listing statement filed with the CSE and available under the Company'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 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 3 May 2019.

Douglas E. Ford
Name of Director or Senior
Officer

"signed"
Signature
CFO
Official Capacity

Issuer Details Name of Issuer	For Month End	Date of Report YY/MM/DD
<i>Chemistree Technology Inc.</i>	<i>April 2019</i>	<i>19/05/03</i>
Issuer Address		
<i>Suite 810 – 609 Granville Street</i>		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
<i>Vancouver, BC V7Y 1G5</i>	<i>(604) 689-7442</i>	<i>(604) 678-8941</i>
Contact Name	Contact Position	Contact Telephone No.
<i>Douglas Ford</i>	<i>CFO</i>	<i>604-973-2200</i>
Contact Email Address	Web Site Address	
<i>doug@chemistree.ca</i>	www.chemistree.ca	