

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: **Cloud Nine Education Group Ltd.** (the "Issuer")

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Trading Symbol: **CNI**

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Number of Outstanding Listed Securities: **36,507,519**

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Date: **January 5, 2018**

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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 continued to expand the market for its ESL Program and to conduct searches for consultants to assist with the Issuer's curriculum development and sales.**

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

**Management continued to support and control the Issuer's business activities.**

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 December 2017.**

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 December 2017.**

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 December 2017.**

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 December 2017.**

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 December 2017.**

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

**None to report during the month of December 2017.**

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trademarks.

**None to report during the month of December 2017.**

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 December 2017.**

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

**None to report during the month of December 2017.**

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 December 2017.**

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 December 2017.**

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

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>
Stock options	1,000,000	Stock options, each exercisable at \$0.06 for a period of five years from date of issuance, as granted December 8, 2017	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 December 2017.**

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

**None to report for the month of December 2017.**

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

**None to report during the month of December 2017.**

**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 January 5, 2018

Peter Lee  
 Name of Director or Senior Officer  
"Peter Lee"  
 Signature  
Chief Financial Officer  
 Official Capacity

<b>Issuer Details</b>	For Month End	Date of Report
Name of Issuer Cloud Nine Education Group Ltd.	December 2017	YY/MM/DD 18/01/05
Issuer Address Suite 110, 668 Seymour Street Vancouver BC V6B 3K4	Issuer Fax No. Not applicable	Issuer Telephone No. (604) 669-2930
Contact Name Peter Lee	Contact Position Chief Financial Officer	Contact Telephone No. 604-669-2930
Contact Email Address plee@c9eg.com	Web Site Address <a href="http://www.c9eg.com">www.c9eg.com</a>	