

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: **BC Craft Supply Co. Ltd.** (the "Issuer").

Trading Symbol: **CRFT**

Number of Outstanding Listed Securities: **2,276,392 common shares were issued and outstanding as of February 28, 2022**

Date: **March 4, 2022 (for the month of February 2022)**

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.

BC Craft Supply Co Ltd. is a diversified life sciences company advancing cannabinoid and psychedelic innovation and psychotherapy. The Issuer offers a reimagined vision for craft markets through collaboration, expertise, and adaptation.

It's operations include:

CRFT - a curator and aggregator of craft cannabis, providing advocacy and access for premium small-batch growers to Canada's cannabis market;

Medcann Health Products - a cultivation and processing facility in Chemainus providing access to both Canadian medical and recreational cannabis markets;

Feelwell Brands Inc. ("Feelwell Brands")- a successful cannabinoid brand house licensed in the state of California; and

AVA Pathways - a pre-clinical biotech company focused on neuroplasticity and mental health applications using psilocybin and compounds derived from mushrooms.

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

During the month of February 2022, activities of the Issuer's management consisted of:

- **Announcing the appointment of Brett Walker to its board of directors and the resignation of Dr. Brigitte Simons from its board of directors on February 4, 2022;**
- **Announcing that an order extending the stay of proceedings and time to file a proposal to its creditors was granted by the Supreme Court of British Columbia on February 22, 2022; and**
- **attending to general administration matters.**

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.

There were no new products or services developed or offered during the month of February 2022.

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.

There were no products or services discontinued during the month of February 2022.

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.

There were no 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. during the month of February 2022.

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.

There were no 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 during the month of February 2022.

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.

There were no acquisitions or dispositions of the Issuer's assets during the preceding month of January 2021.

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

There were no acquisitions of new customers or loss of customers during the month of February 2022.

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.

There were no new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks during the month of February 2022.

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

There were no employee hirings, terminations or lay-offs during the month of February 2022.

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

There were no labour disputes during the month of February 2022.

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.

The Issuer continues to contest the statement of claim filed in the Supreme Court of British Columbia by McConnan Bion O'Connor & Peterson on behalf of their client, Stephanie Wilmott against the Issuer's wholly owned subsidiary BC Craft. The claim alleges a breach of contract.

On January 7, 2020, a Notice of Claim was filed in the Provincial Court of British Columbia by Wayne Richard Powell against the Issuer. The claim alleges non-payment of a contract for November 1st - 30th and December 1st - 20th, 2019.

On August 28, 2020, a Notice of Claim was filed in the Provincial Court of British Columbia by Stockhouse Publishing Ltd. against the Issuer. The claim alleges the non-payment of fees under a Market Maker Program.

On February 11, 2021, a Notice of Claim was filed in the Provincial Court of British Columbia by Evolink Law on behalf of their client, Concord Business Plans. The claim alleges non-payment of an invoice in the amount of \$7,875 for the preparation of a draft business plan.

On March 1, 2021, a Notice of Civil Claim was filed in the Supreme Court of British Columbia by Wetcoast Holdings Ltd against the Issuer. The claim alleges non-payment of certain promissory notes dated August 15, 2019 and August 22, 2019, corporate expense reimbursement, consulting fees and advisory fees. The proceedings are contested. The Issuer has filed a counterclaim against Patrick Brauckmann for breach of fiduciary duty and unjust enrichment and the Issuer has filed a counterclaim against Wetcoast for unjust enrichment, knowing assistance in breach of fiduciary duty, and knowing receipt of trust monies. The proceedings are in their early stages.

On April 18, 2021, a Notice of Civil Claim was filed in the Supreme Court of British Columbia by Mercedes-Benz Financial Services Canada Corporation against the Issuer and Patrick Brauckmann. The claim alleges non-payment of a leased car.

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

There was no indebtedness incurred or repaid by the Issuer during the month of February 2022.

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

There were no securities issued or options and warrants granted during the month of February 2022.

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

There were no loans to or by Related Persons of the Issuer during the month of February 2022.

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

On February 4, 2022 the Issuer announced that it has appointed Brett Walker to the board of directors.

As at the date of this report, the directors and officers of the Issuer are as follows:

Matthew Watters	Director, Chief Executive Officer
Brett Walker	Director
Susan Chapelle	Director
Anthony Laud	Chief Financial Officer

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

The trends and risks which are likely to impact the Issuer are detailed in the Issuer's Management Discussion & Analysis dated August 31, 2021 for the nine months ended June 30, 2021 (the "MD&A") under the headings "Financial Risk Management" and "Business Risks and Uncertainties". The MD&A is available on the Issuer's SEDAR profile at www.sedar.com.

In addition to the trends and risks detailed in the MD&A, COVID-19 is likely to impact the Issuer:

COVID-19

The outbreak of the corona virus pandemic has impacted the Issuer's plans and activities. The Issuer may face disruption to operations, supply chain delays, travel and trade restrictions and impact on economic activity in affected countries or regions can be expected and can be difficult to quantify. Such pandemics or diseases represent a serious threat to maintaining a skilled workforce industry and could be a major health-care challenge for the Issuer. There can be no assurance that the Issuer's personnel will not be impacted by these pandemic diseases and ultimately that the Issuer would see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks. In addition, the COVID-19 pandemic has created a dramatic slowdown in the global economy. The duration of the COVID-19 outbreak and the resultant travel restrictions, social distancing, Government response actions, business closures and business disruptions, can all have an impact on the Issuer's operations and access to capital. There can be no assurance that the Issuer will not be impacted by adverse consequences that may be brought about by the COVID-19 pandemic on global financial markets may reduce resource prices, share prices and financial liquidity and thereby that may severely limit the financing capital available.

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 **March 4, 2022**

Matthew Watters

Name of Director or Senior
Officer

"Matthew Watters"

Signature

Chief Executive Officer

Official Capacity

<i>Issuer Details</i> Name of Issuer BC Craft Supply Co. Ltd.	For Month End February 2022	Date of Report YY/MM/DD 22/03/04
Issuer Address 789 West Pender Street, Suite 810		
City/Province/Postal Code Vancouver, BC, V6C 1H2	Issuer Fax No. (604) 687-3141	Issuer Telephone No. (604) 687-2038
Contact Name Matt Watters	Contact Position CEO	Contact Telephone No. (604) 687-2038
Contact Email Address mwatters@bccraftsupplyco.com	Web Site Address https://bccraftsupply.ca/	