

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Trichome Financial Corp. (the "Issuer" or "Trichome Financial").

Trading Symbol: TFC _____

Number of Outstanding Listed Securities: 25,074,828 _____

Date: May 7, 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.

The Issuer continued to actively pursue suitable lending opportunities with various companies in the cannabis sector.

The Issuer closed a debtor-in-possession financing in April, as detailed below in section 5.

On April 13, 2020, the Issuer released its financial results for the year ended December 31, 2019.

For more information regarding the Issuer's financial results, see the Financial Statements and Management Discussion and Analysis for the year ended December 31, 2019, which are available at www.sedar.com.

2. Provide a general overview and discussion of the activities of management.
Management continued to execute on its business plan by pursuing and analysing various secured lending opportunities with potential borrowers in the cannabis sector.
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.
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.

James E. Wagner Cultivation Corporation Restructuring

On April 1, 2020, one of the Issuer's borrowers, James E. Wagner Cultivation Corporation ("JWC"), announced that JWC and its subsidiaries obtained an initial order from the Ontario Superior Court of Justice for protection under the Companies' Creditor Arrangements Act ("CCAA"). This protection will allow JWC to restructure its business and finances.

In line with the above announcement, the Issuer announced, on April 1, 2020, that it had entered into a \$4 million CAD debtor-in-possession ("DIP") loan financing with JWC.

The Issuer and JWC agreed to a plan of consensual restructuring (the "Restructuring"). Pursuant to the Restructuring, the Issuer and JWC agreed to (i) a DIP loan in which the Issuer will provide up to \$4 million CAD in interim financing over the term of the Restructuring; (ii) an offer by the Issuer to purchase the assets of JWC pursuant to an Asset Purchase Agreement (the "APA") that contemplates that the Issuer will be the "stalking-horse" bidder in the Sales and Investor Solicitation Process ("SISP") which is to be overseen by the Special Committee of the Board of JWC (the "Special Committee") and advised by Stoic Advisory Inc. ("Stoic"); and (iii) the appointment of KSV Koffman Inc. ("KSV") as monitor in the CCAA proceedings.

Update - James E. Wagner Cultivation Corporation Restructuring

On April 9, 2020 the Issuer and JWC together with its subsidiaries, in connection with the previously announced consensual restructuring under the CCAA, obtained an order from the Ontario Superior Court of Justice:

- Authorizing the commencement of the SISP, to be carried out by Stoic under the supervision of the Special Committee and KSV, as monitor in the CCAA proceedings.

– Approving the Bidding Procedures contained in the SISP, which include a bid deadline of May 15, 2020.

– Approving the Issuer’s previously announced APA as JWC’s “stalking horse bid” and approving the Issuer as JWC’s “stalking horse” bidder in the SISP.

– Approving the appointment of Howard Capital LLC (the managing member and sole owner of which is Howard Steinberg, who is a member of the Issuer’s board of directors) as the Chief Restructuring Officer of JWC.

– Granting an extension of the stay of proceedings in connection with JWC’s CCAA proceedings until June 26, 2020.

Pursuant to the SISP, interested parties will be given an opportunity to submit an offer for all of JWC’s assets for a purchase price which is estimated to be equal to or greater than \$11.95 million CAD. JWC will also consider (i) separate offers to acquire some but not all of JWC’s assets, if a combination of one or more such bids in the aggregate would result in proceeds at least equal to the amounts described above and is otherwise a qualified bid pursuant to the SISP, and (ii) a bid structured as a CCAA plan if it is otherwise a qualified bid pursuant to the SISP.

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.

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.

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

None to report.

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.

- 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.
See Note 5 regarding the JWC restructuring proceedings.
- 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 Issued	Details of Issuance	Use of Proceeds⁽¹⁾
<i>None to report.</i>			

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

- 15. Provide details of any loans to or by Related Persons.
None to report.
- 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.

On December 12, 2019, the government of Ontario announced that it will abandon its lottery system for cannabis retail stores and move towards an open licensing system at the beginning of 2020 that will see the removal of a cap on the number of private cannabis stores across the province. The Government of Ontario (through the Alcohol and Gaming Commission of Ontario, which is the province’s regulatory body that manages the retail system) began accepting operator licence applications from prospective retailers on Jan. 6, 2020, which will be followed by the acceptance of store authorization applications at the beginning of March 2020. Store authorizations will be issued beginning a month later, at a stated rate of approximately 20 per month.

The Issuer anticipates that this change will have a positive impact on its business, as numerous prospective retailers have begun and will likely continue to seek credit

financing from the Issuer for the build out of retail stores and for inventory purchases for such stores from the Ontario Cannabis Store.

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic, greatly impacting financial markets and leading governments within the jurisdictions of the Company's borrowers to implement certain social distancing and quarantine measures. Impacts on the Company's borrowers, if any, is uncertain. The outbreak of COVID-19 could have an impact on the North American cannabis lending market in the months to follow.

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: May 5, 2020

Michael Ruscetta

Name of Director or Senior
Officer



Signature

CEO

Official Capacity

Issuer Details Name of Issuer <i>Trichome Financial Corp.</i>	For Month End <i>April 2020</i>	Date of Report YY/MM/D <i>May 7, 2020</i>
Issuer Address <i>Suite 200, 150 King West</i>		
City/Province/Postal Code <i>Toronto, ON, M5H 1J9</i>	Issuer Fax No. ()	Issuer Telephone No. ()
Contact Name <i>Marc Charbin</i>	Contact Position <i>Investor Relations</i>	Contact Telephone No. <i>(416) 467-5229</i>
Contact Email Address <i>info@trichomefinancial.com</i>	Web Site Address https://www.trichomefinancial.com/	