

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: DionyMed Brands Inc. (the "Issuer" or the "Company").

Trading Symbol: *DYME*

Number of Outstanding Listed Securities: 32,960,662 *Subordinate Voting Shares (common shares). In addition, there are 33,752,500 Subordinate Voting Shares reserved for issuance pursuant to the conversion rights attached to other classes of equity shares that are issued and outstanding but not listed. The total number of issued shares assuming all are converted into the listed class would be 66,713,162.*

Date: *September 6, 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.

On August 1, 2019, DionyMed announced it issued a US\$2,000,000 secured convertible note (the “Note”) to Gotham Green Partners (“GGP”), an investor in the global cannabis industry, with proceeds used for general corporate purposes.

The Note bears interest at LIBOR +12.5% per annum. During the first six months, interest may be paid-in-kind (“PIK”) at the Company’s option such that any amount of PIK interest will be added to the outstanding principal of the Note.

In connection with the issuance of the Note, GGP has also been issued 1,671,151 warrants (“Warrants”) with an exercise price of CAD\$1.58, each of which is exercisable to purchase one subordinate voting share (“Subordinate Voting Shares”) of the Company for a period of 36 months from the date of issue. The Company shall have the right prior to December 31, 2019 to make a one-time prepayment at 125% (“One-Time Prepayment Option”) of the outstanding principal amount of the Note and GGP shall forfeit its conversion right. If the Company elects to exercise the One-Time Prepayment Option, then the warrant coverage shall be reduced by 50%.

The Note (including all accrued interest thereon) is convertible at any time at the option of the holder, into Subordinate Voting Shares at a price equal to CAD\$1.45, which represents 115% of the 10-day volume-weighted average price of the Subordinate Voting Shares on the Canadian Securities Exchange prior to the execution of the term sheet with respect to the Note (converted to US dollars).

The Warrants and any Subordinate Voting Shares issuable upon conversion of the Note or exercise of the Warrants will be subject to a four-month hold period from the date of issuance of the Note and the Warrants, as applicable, in accordance with applicable Canadian securities laws.

In connection with issuing the Note, DionyMed’s Credit Agreement is also being amended to reflect an increase in the interest rate from LIBOR (at a floor of 0%) + 8% to LIBOR (at a floor of 2.5%) + 10%, to be in line with the Note including all other Credit Agreement fees.

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

Management is actively managing the business, expanding the brand portfolio and continues to focus on expanding the operational footprint.

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.

No material products added for August 2019.

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.

No material products or services discontinued in August 2019.

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.

As noted in item #1 above, DionyMed issued a US\$2,000,000 secured convertible note (the "Note") to Gotham Green Partners ("GGP"), an investor in the global cannabis industry, with proceeds used for general corporate purposes.

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.

No material contracts or agreements expired or were terminated in August 2019.

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.

No acquisitions or dispositions closed during August 2019.

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

No material customer changes to report for August 2019.

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.

No new developments or effects on intangible products in August 2019.

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

No material changes to employees for August 2019.

11. 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.

No new legal proceedings to report for August 2019.

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

As described in item #1, DionyMed announced it issued a US\$2,000,000 Note to Gotham Green Partners, an investor in the global cannabis industry, with proceeds used for general corporate purposes

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

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Subordinate Voting Shares	378,6000	Series A Conversion	N/A
Subordinate Voting Shares	400,000	Option exercise	\$40,000 to be used for general corporate purposes
Options	5,745,000	Employee, consultant and director grants	N/A
Warrants	1,671,151	Funding related	N/A

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

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

None to report for August 2019

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

None to report for August 2019

16. 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 for August 2019

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: September 6, 2019.

Edward Fields

Name of Senior Officer

(signed) "Edward Fields"

Signature

Chief Executive Officer

Official Capacity

Issuer Details	For Month End	Date of Report
Name of Issuer		
DionyMed Brands Inc.	August 2019	2019/09/06
Issuer Address		
One University Ave, 4 th Floor, Suite 116		
City/Province/Postal Code	Issuer Fax No. ()	Issuer Telephone No.
Toronto, ON, M5J 2P1		647-948-8388 x1001
Contact Name	Contact Position	Contact Telephone No.
Peter Kampian	CFO	647-948-8387
Contact Email Address	Web Site Address	
Peter.kampian@dyme.com	www.dionymed.com	