

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: Wayland Group Corp. (the "Issuer" or "Wayland").

Trading Symbol: WAYL

Number of Outstanding Listed Securities: 237,260,499 common shares

Date: September 5, 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.

**During the period the Issuer focused its main efforts in the following activities:**

- i) **Continued construction efforts of the phase 1 expansion of our Langton facility;**

- ii) Continued focus on existing business relationships and examining new potential business partnerships and opportunities to expand our product offerings and reach in the marketplace;
- iii) Signed a non-binding letter of intent relating to the proposed sale of its Canadian business, including its Langton, Ontario production facility (the “Facility”), to Cryptologic Corp. for anticipated consideration of 57,500,000 Cryptologic common shares at a deemed issue price of \$4.00 per share, which is expected to represent approximately 70% of the issued and outstanding Cryptologic common shares outstanding following closing, and the assumption by Cryptologic of liabilities relating to Wayland’s Canadian business. The proposed transaction with Cryptologic remains subject to a number of conditions, including, without limitation, the completion of satisfactory due diligence by Cryptologic and Wayland, the negotiation and entering into of a satisfactory definitive agreement and transaction structure, receipt of applicable securityholder approvals by Cryptologic and Wayland in accordance with applicable securities laws and stock exchange rules and securityholder documents to which they are party, together with any other applicable third party and regulatory consents and approvals, the completion of the sale by Cryptologic of its existing businesses and the availability of the minimum \$25 million cash balance, the potential completion of a reorganization of Wayland’s Canadian business, the receipt by each of Wayland and Cryptologic of a fairness opinion from their respective financial advisors, and other customary conditions to closing a transaction of this nature.
- iv) Announce the closing of its previously announced transactions for assets in Argentina and Colombia.
- v) Received \$5 million bridge loan from Cryptologic, which was advanced in connection with the proposed sale of Wayland’s Canadian business to Cryptologic.

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

**During the period, management was primarily focused on existing business relationships and strengthening the operations team. Additionally, management also met with various parties to discuss options to expand our product offerings, production capabilities, research and development and other strategic initiatives.**

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.

**Not applicable during this period.**

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.

**Not applicable during this period.**

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.

**Not applicable during this period.**

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.

**Not applicable during this 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.

**Not applicable during this period.**

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

**No change.**

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.

**Not applicable during this period.**

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

**There were three departures during the month in the operations area and no additions.**

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

**There were three labour disputes during the month of August. It is management's opinion that the final settlements will not be material.**

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.

As disclosed in prior Form 7s the Issuer has received an amended statement of claim from a financial advisory firm which alleges that the Issuer has breached a right of first refusal under an advisory agreement entered into between the Issuer and the claimant as a result of entering into the offering of special warrants that was completed in January 2018 and the bought deal offering that was announced in late January 2018 (but which was later terminated). The claimant claims damages in excess of \$6,000,000 and ownership to certain compensation warrants. The Issuer filed a statement of defense dated February 8, 2018 and intends to vigorously defend the claim.

The Issuer has filed a statement of claim on February 4, 2019 against several former executives for damages in excess of \$6,000,000 for breach of contract, breach of fiduciary duty, breach of fidelity, and/or breach of confidence and unlawful use of confidential information. Some of the former executives have filed notices of intent to defend.

The Issuer received a HRTO Application on March 26, 2019 regarding a termination of a former employee, which occurred in August 2017. The Issuer has requested an extension of time from the Registrar of the HRTO and intends to vigorously defend the claim.

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

**Not applicable during this period.**

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

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>

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

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

**Not applicable during this period.**

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

**Ben Ward, Chief Executive Office and director of the Company resigned. Matthew McLeod was appointed as Chief Executive Officer.**

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

**N/A.**

## 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 5, 2019

**Scott Langille**  
*Name of Director or Senior Officer*

**/s/ Scott Langille**  
*Signature*

**CFO**  
*Official Capacity*

<b>Issuer Details</b>		For Month Ended	Date of Report:
Name of Issuer		August 31, 2019	September 5, 2019
Wayland Group Corp.			
Issuer Address			
3 - 845 Harrington Court			
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.	
Burlington, ON, L7N 3P3	1-844-291-7222	1-844-627-4226	
Contact Name	Contact Position	Contact Telephone No.	
Scott Langille	CFO	647-261-6588	
Contact Email Address	Web Site Address		
<a href="mailto:Scott.langille@waylandgroup.com">Scott.langille@waylandgroup.com</a>	<a href="http://www.waylandgroup.com">www.waylandgroup.com</a>		

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