

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: **Beleave Inc.** (the "Issuer").

Trading Symbol: **BE**

Number of Outstanding Listed Securities: **483,180,568**

Date: **July 8, 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 June 6, 2019 the Company announced a settlement agreement with the British Columbia Securities Commission ("BCSC"), in connection with certain of the Company's historical disclosures, resolving the BCSC's review of Beleave's involvement in the BCSC's investigation relating to, among other things, the use of the consultant exemption from prospectus requirements (the "BCSC Matter"). Under the terms of the settlement, the BCSC will not seek any orders against the Company, including financial orders. Full details of the settlement, including the settlement agreement, will be available on the BCSC website: [www.bcsc.bc.ca](http://www.bcsc.bc.ca); a full copy of the press release can be viewed [here](#).

On June 24, 2019 the Company announced that it has received the required building permit from the City of Hamilton for its Hamilton Phase 2 expansion. Work on Phase 2 is now underway, with construction teams already on site.

The Phase 2 expansion has long been in development and represents an important moment in the Beleave story. The newly-announced building permit marks the final approval necessary to move the project forward. Last month, the Company received another approval for the project to progress at a public meeting of the Hamilton City Council.

Construction of the 91,700 sq. ft. Phase 2 expansion project has begun with Beleave retaining the services of Havecon Horticultural Projects. Havecon, a leading developer of horticultural and agricultural construction and development, will manage and complete the work on site. Phase 2 will result in an additional 5,700 sq. ft. of indoor grow space and 55,000 sq. ft. of greenhouse space which would have an expected annual yield of 8,650 kilograms per year. Hamilton City Council approved the expansion of Beleave's facility in Hamilton.

Beleave's Hamilton facility is a state-of-the-art hub for high-efficiency extraction, processing, and cultivation of cannabis and cannabis-derived products. The newly-approved expansion will provide the ability to significantly increase current operations, distribution, and sales beyond what they are today.

The Hamilton expansion is one of two major projects underway in Ontario for Beleave as it prepares for the anticipated increase in demand of cannabis and cannabis-derived products for the Canadian recreational and medical markets.

On June 27, 2019 Beleave announced it had shipped its first order of recreational cannabis products for retail sale in the province of Saskatchewan.

Beleave currently distributes recreational cannabis in three other Canadian provinces; British Columbia, Manitoba, and Ontario. The Company's current portfolio of products includes mainstream and premium product offerings of pre-rolls, oils, and dried flower under both the Beleave and Seven Oaks brand names.

Orders and shipments were processed in June 2019, and product is expected to be ready for purchase in Saskatchewan in July 2019. The Company will update the market on sales and point-of-purchase in a future announcement.

On June 28, 2019 the Company released its restated Condensed Interim Consolidated Financial Statements for three and nine months ended December 31, 2018, together with its Management, Discussion and Analysis ("MD&A").

In October 2018, the guidelines and best-practices for issuers in the cannabis industry were updated with the intent of encouraging issuers to produce transparent information pertaining to financial performance, risks and uncertainties. In some cases, the statement of profit and loss included unrealized fair value gains related to the growth of biological assets that had not yet been sold. Going forward, issuers are expected to disclose unrealized gains/losses and realized fair value separately.

As part of Beleave's ongoing commitment to accountability and transparency, the Company announced three new committees in February 2019; Audit Committee, Compensation Committee, and Governance Committee. The process includes the Audit Committee's thorough review of financial statements from previous quarters to ensure consistency and the application of accounting best-practices. These updated financials are directly related to their work and recommendations.

The updated financial results reflect a revenue increase of 7.2% in the nine months ended December 31, 2019, and 3.2% decrease in the net loss for the same period.

2. Provide a general overview and discussion of the activities of management.
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. **N/A**
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. **N/A**

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. **N/A**
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. **N/A**
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. **N/A**
8. Describe the acquisition of new customers or loss of customers. **N/A**
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. **N/A**
10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs. **N/A**
11. Report on any labour disputes and resolutions of those disputes if applicable. **N/A**
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. **N/A**
13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness. **N/A**
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. **N/A**

16. Provide details of any changes in directors, officers or committee members. **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 was 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: **July 8, 2019**

**Vasilios Panagiotakopoulos**

Name of Director or Senior  
Officer



Signature

**CEO + Director**

Official Capacity

<b><i>Issuer Details</i></b> <b>Beleave Inc.</b>	For Month End of <b>June 2019</b>	Date of Report <b><u>July 8, 2019</u></b>
Issuer Address <b>1653 Hwy 6 North</b>		
City/Province/Postal Code <b>Flamborough/Ontario/L8N 2Z7</b>	Issuer Fax No. (N/A)	Issuer Telephone No. <b>1.844.235.3283</b>

Contact Name <b>Vasilios Panagiotakopoulous</b>	Contact Position <b>CEO</b>	Contact Telephone No. <b>905.979.2937</b>
Contact Email Address <b>bill@beleave.com</b>	Web Site Address <b>www.beleave.com</b>	