

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: Charlotte's Web Holdings, Inc. (the "Issuer").

Trading Symbol: CWEB

Number of Outstanding Listed Securities: 22,408,680 common shares

Date: February 1, 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.

***Issuer Response:*** *During the month of January, the Issuer has been focused on continued operations and growth and has been continuing to explore and pursue potential expansion opportunities. During January, the Issuer announced that it had received certification from the U.S. Hemp Authority<sup>TM</sup>, and that beginning in*

2019, the Issuer's products will be licensed to use the Certified Seal of the U.S. Hemp Authority™.

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

**Issuer Response:** Please see item 1 above. Management has been actively involved in managing operations and revenue growth, as well as exploring and evaluating expansion and business development opportunities.

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.

**Issuer Response:** No new products or services developed or offered. During January, the Issuer reported its 2018 harvested hemp results, reporting more than a 10 times growth in harvested hemp compared to its 2017 grow season.

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.

**Issuer Response:** None.

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.

**Issuer Response:** During January, the Issuer did not enter into any material contracts, joint venture agreements or licensing agreements.

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.

**Issuer Response:** Not applicable.

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.

**Issuer Response:** Not applicable.

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

**Issuer Response:** The Issuer continues to grow its customer base and acquire new customers through various acquisition channels, as well as organically as a result of increased availability.

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.

**Issuer Response:** *Not applicable.*

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

**Issuer Response:** *No material lay-offs during the month, and no anticipated lay-offs. On January 3, 2019, the Issuer announced that Eugenio Mendez joined the Issuer in the newly formed role of Chief Growth Officer effective January 15, 2019 and that a Chief Executive Officer transition is planned in 2019. The Issuer's current Chief Executive Officer, Mr. Moallem, will continue as the Issuer's CEO until his successor has been appointed. For more information, see the Issuer's news release dated January 3, 2019. On January 31, 2019, the Issuer announced that Stephen Lermer joined the Issuer in the role of Chief Operating Officer effective January 28, 2019.*

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

**Issuer Response:** *Not applicable.*

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.

**Issuer Response:** *No material proceedings.*

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

**Issuer Response:** *None.*

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

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>
None.			

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

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

**Issuer Response:** *There are no changes to report.*

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

**Issuer Response:** *Other than as set forth in the response to question 10, no changes 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.

**Issuer Response:** *The 2018 Farm Bill was passed. For more information, see the Issuer's news release dated December 21, 2018.*

## 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 February 1, 2019.

Richard L. Mohr  
Name of Director or Senior  
Officer

(signed) "Richard L. Mohr"  
Signature

Chief Financial Officer  
Official Capacity

<b>Issuer Details</b>		For Month End	Date of Report YY/MM/D
Name of Issuer		January 2019	19/02/01
Charlotte's Web Holdings, Inc.			
Issuer Address			
2425 - 55th Street, Suite 200			
City/Province/Postal Code		Issuer Fax No.	Issuer Telephone No.
Boulder, CO 80301 USA		N/A	1 (855) 790-8169
Contact Name		Contact Position	Contact Telephone No.
Cory Pala		Investor Relations	(416) 594-3849
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InvestorRelations@cwhemp.com		https://www.cwhemp.com/	