

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: Yooma Wellness Inc. ("Yooma" or the "Issuer")

Trading Symbol: YOOM

Number of Outstanding Listed Securities: 75,540,763

Date: April 6, 2021

#### **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.

#### **Acquisition of EMMAC Wellness Brands**

On March 2, 2021, Yooma announced that it had entered into an agreement with EMMAC Life Sciences Limited ("EMMAC") to acquire certain wellness brands from EMMAC (the "EMMAC Acquisition"), including MYO, Blossom, Hello Joya and What the Hemp, each of which had previously been licensed to Yooma under the terms of the Licensing Agreement. The total purchase price paid for the EMMAC Acquisition was approximately US\$8.1 million, payable by issuance of 7,459,981 Shares at a price per Share of C\$1.38, being the 5-day volume-weighted average price of the Shares as of the date of announcement of the EMMAC Acquisition. The Shares issued to EMMAC are subject to a standard resale restriction of four months plus one day and, unless permitted under applicable securities laws, cannot be traded before July 12, 2021. See the Issuer's Form 9 dated March 2, 2021 for further information in respect of the EMMAC Acquisition.

#### **Acquisition of Socati Corp.**

On March 22, 2021, Yooma announced that it acquired Socati Corp. ("Socati"), a U.S. based manufacturer and seller of premium-quality cannabinoid ingredients and consumer products. The transaction was implemented through a merger (the "Merger") between Socati and Yooma Acquisition Inc., a wholly-owned subsidiary of Yooma, under a merger agreement between the three parties dated March 19, 2021 (the "Merger Agreement"). On completion of the Merger, Socati became a wholly-owned subsidiary of Yooma and the Socati shareholders, as well as certain creditors and other parties having convertible or contingent rights to receive Socati shares, have exchanged their securities of Socati for a right to receive common shares of Yooma, subject to delivery of certain documentation required under the Merger Agreement.

In total, the consideration paid by Yooma in connection with the Socati acquisition amounts to US\$25,000,000, which has been satisfied by the issuance of 23,320,894 common shares of Yooma (the "Consideration Shares") at a price of C\$1.34 per share based on a deemed exchange rate of \$1.25CAD to \$1.00 USD. With the

exception of 928,512 Consideration Shares, the Consideration Shares are subject to (a) an 18-month lock-up period, with one third of the shares releasing on the 6-, 12- and 18-month anniversaries of the closing date, and (b) a 12-month escrow indemnity holdback for 10% of the issued Consideration Shares, which allows them to be accessed to satisfy the indemnity obligations of the parties under the Merger Agreement.

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

**Management continues to seek new strategic opportunities to create shareholder value. Please refer to question #1 for further information.**

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.

**On March 18, 2021, the Issuer announced the launch of its MYO Plant Nutrition brand in Holland & Barrett, a leading UK health food retailer. The Issuer and Holland & Barrett are not Related Persons.**

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.

**See Recent Developments in the response to Question 1 for a summary of the acquisitions, nature of the assets acquired and consideration paid.**

The sale price in respect of the EMMAC Acquisition was negotiated through an arm's length negotiation between the parties and was reviewed, recommended and approved by a special committee consisting of independent directors of the Issuer, who advised the Issuer they had no material interest in the vendors under the EMMAC Acquisition or the underlying acquisition itself. Although no consideration was paid to or received by any Related Person under the terms of the EMMAC Acquisition, as set out in the Issuer's Form 9 filed in connection with announcement of the EMMAC Acquisition, certain of the Issuer's directors (being Lorne Abony, Anthony Lacavera and Antonio Costanzo) are either directors, officers or shareholders owning more than 0.5% of EMMAC and recused themselves from discussions in connection with the EMMAC Acquisition and did not form part of the special committee established to approve the EMMAC Acquisition.

The acquisition of Socati Corp. is considered a "related party transaction" for the purposes of Multilateral Instrument 61-101. Lorne Abony is the Chairman of Yooma and the Chairman of Socati, and was the direct or indirect owner of more than 10% of the shares of Socati. The Merger did not have a material impact on his ownership of Yooma. Anthony Lacavera is a director and holder of 10% of the shares of Yooma and is also the holder of more than 0.5% of the shares of Socati, as well as certain convertible instruments of Socati. The Merger decreased his ownership of Yooma from 10% to approximately 7.6%. Two other directors of Yooma, Jordan Greenberg and Antonio Costanzo, held minor interests in Socati that were not considered material and the Merger did not materially impact their ownership of Yooma.

Given the related party interests of certain directors of Yooma in the Transaction, Yooma formed a special committee to consider and advise in respect of the proposed Transaction on February 26, 2021 consisting of Michael Young, Antonio Costanzo and Jordan Greenberg, none of whom had a material interest in Socati or the Transaction. The special committee supervised negotiation of the Merger Agreement through regular briefings from management and input from Yooma's legal counsel, and by receiving, reviewing and holding regular meetings to discuss and make recommendations in respect of all material drafts of the Merger Agreement. Based on a review of available information, legal due diligence and potential alternative transactions, and having regard to the attributes of Socati that make it a unique acquisition opportunity for Yooma, including its geographic footprint and the potential for vertical integration with Yooma's existing wellness products portfolio, the special committee unanimously recommended the Merger for approval. The board of directors of Yooma also approved the transaction with all directors having a material interest in Socati declaring their interest and abstaining from the vote.

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.

<b>Security</b>	<b>Number Issued</b>	<b>Details of Issuance</b>	<b>Use of Proceeds<sup>(1)</sup></b>
Common Shares	7,459,981	Issued March 11, 2021 as consideration for the EMMAC Wellness acquisition	N/A
Common Shares	23,320,894	Issued March 19, 2021 as consideration for the Socati acquisition	N/A

*(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**

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 April 6, 2021.

Jordan Greenberg  
Name of Director or Senior  
Officer

(signed) "Jordan Greenberg"  
Signature

Director & President  
Official Capacity

<b>Issuer Details</b> Name of Issuer Yooma Wellness Inc.	For Month End March, 2021	Date of Report YY/MM/DD 21/04/06
Issuer Address 900, 135 Yorkville Ave.		
City/Province/Postal Code Toronto, ON M5R 0C7	Issuer Fax No. N/A	Issuer Telephone No. (416) 419-7046
Contact Name Jordan Greenberg	Contact Position President	Contact Telephone No. 416-419-7046
Contact Email Address jgreenberg@yooma.ca	Web Site Address <a href="http://www.yooma.ca">http://www.yooma.ca</a>	