

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Mota Ventures Corp. (the “Issuer”).

Trading Symbol: **MOTA**

Number of Outstanding Listed Securities:

Date: **June 4, 2020**

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 month of May 2020, the Issuer announced that it had entered into a letter of intent dated May 11, 2020 (the “Letter of Intent”) with Verrian Ontario Ltd. (“Verrian”), pursuant to which it proposed to acquire all of the outstanding share capital of Verrian (the “Transaction”). On May 16, 2020, the Issuer replaced the Letter of Intent with a binding term sheet dated May 14, 2020 (the “Term Sheet”).

The Term Sheet contemplates that the Issuer will acquire all of the outstanding share capital of Verrian in consideration for Cdn\$20,000,000, to be satisfied through the issuance of common shares (the “Consideration Shares”) to the existing shareholders of Verrian, which will be subject to a pooling arrangement. In addition to the Consideration Shares, the Term Sheet contemplates that the Issuer will arrange for repayment of existing shareholder loans of Verrian totaling approximately Cdn\$1,100,000.

Verrian is an arms'-length privately-held company that is focused on delivering and developing products related to addiction reduction, with a focus on alcohol and opiates. As contemplated by the Term Sheet, the Transaction will not constitute a fundamental change for the Issuer, nor will it result in a change of control of the Issuer, within the meaning of applicable securities laws and the policies of the Canadian Securities Exchange. Upon completion of the Transaction, an administrative fee of \$422,000, payable in common shares of the Issuer, will be owing to a consultant who assisted with the Transaction. The Issuer spent much of May conducting due diligence and negotiating the terms of the Transaction.

On May 19, 2020, the Issuer announced completion of an audit of the financial results of its Nature’s Exclusive brand through the twelve-months ended December 31, 2019. 2019 audited financial results included revenue of Cdn\$29,034,000 with associated expenses of Cdn\$25,530,000 and a net income of Cdn\$3,505,000.

The Issuer also announced an agreement with Unified Funding LLC (“Unified”) to amend the thresholds necessary for Unified to earn a bonus based on the financial results generated by the Nature’s Exclusive brand in the 2020 calendar year. Unified is entitled to earn a bonus payment based on the terms of the original transaction in which Mota acquired control of the brand, and the associated business line.

Under the terms of the amendment, Unified will continue to be entitled to a one-time bonus payment (the “Bonus Payment”) based on the revenue and profitability of Nature’s Exclusive in the 2020 calendar year. The Bonus Payment will be: (i) US\$5,000,000, in the event gross revenue exceeds US\$40,000,000 with a profit margin of at least ten percent; (ii) US\$10,000,000, in the event gross revenue exceeds US\$45,000,000 with a profit margin of at least ten percent; or (iii) US\$15,000,000, in the event gross revenue exceeds

US\$50,000,000. The Bonus Payment will be payable in common shares of the Issuer (the “Bonus Shares”) based on an exchange rate of US\$1.00 to C\$1.30 and the greater of: (i) C\$0.80; and (ii) the volume-weighted average closing price of the common shares of the Issuer on the Canadian Securities Exchange in the ten trading days prior to the last trading day of 2020. Any Bonus Shares issuable by the Issuer will be subject to the terms of a thirty-six month time release pooling arrangement, with applicable release dates calculated from the date of issuance of the Bonus Shares. Further information regarding the Bonus Payment can be found in the Issuer’s news release dated January 17, 2020.

The Issuer held an investor update conference call on Wednesday, May 20, 2020 with management to discuss their recent announcements.

On May 22, 2020 the Issuer announced it had entered into a Letter of Intent (the “LOI”) dated May 21, 2020, to evaluate the acquisition (the “Proposed Transaction”) of Unified. The Proposed Transaction is not expected to constitute a fundamental change for the Issuer, nor is it expected to result in a change of control of the Issuer, within the meaning of applicable securities laws and the policies of the Canadian Securities Exchange. The Issuer spent much of May conducting due diligence and negotiating the terms of the Proposed Transaction.

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

Management of the Issuer has been engaged in raising money, growing its online CBD businesses in the United States (Natures Exclusive CBD), launching new products and expanding its European presence with its Sativida brand. Management of the Issuer was also in discussions with various companies that it has considered acquiring, including Verrian and Unified. A significant portion of management’s time was occupied with finalizing the Issuer’s audit of Natures Exclusive and negotiating acquisitions.

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.

The Issuer launched a Nature’s Exclusive CBD hand-sanitizer.

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. **None.**

Describe any new business relationships entered into between the Issuer, the Issuer’s affiliates or third parties including contracts to supply products or services,

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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. **None.**

5. 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.**

6. 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. **None.**

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

Under the Issuer's Nature's Exclusive brand, the Issuer acquired 23,141 new customers in the month of May.

8. 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. **None.**

9. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs. **None.**

10. Report on any labour disputes and resolutions of those disputes if applicable. **None.**

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. **None.**

12. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness. **Not Applicable.**

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

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Stock Options	7,995,000	\$0.30	Not Applicable

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

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14. Provide details of any loans to or by Related Persons. **None.**
15. Provide details of any changes in directors, officers or committee members. **None.**
16. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

In December 2019, the 2019 novel coronavirus ("COVID-19") surfaced in Wuhan, China. The World Health Organization declared a global emergency on January 30, 2020 with respect to the outbreak and then characterized it as a pandemic on March 11, 2020. The outbreak has spread throughout the United States, Europe and Canada, causing companies and various international jurisdictions to impose restrictions, such as quarantines, closures, cancellations and travel restrictions. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time. Such public health crises can result in volatility and disruptions in global supply chains, business operation and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect, interest rates, credit ratings, credit risk and inflation. The risks to the Issuer of such public health crises also include risks to employee health and safety and a slowdown or temporary suspension of operations in geographic locations impacted by an outbreak, labour shortages, travel and shipping disruption and shutdowns (including as a result of government regulation and prevention measures). At this point, COVID-19 has not negatively impacted the business of the Issuer and has instead led to an increase in online sales of new products. Despite the initial positive impact, the extent to which COVID-19 may impact the Issuer is uncertain and it is possible that COVID-19 may have a material adverse effect on the Issuer's business and financial condition.

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 June 4, 2020.

Szascha Lim
Name of Director or Senior Officer

/s/Szascha Lim
Signature

Chief Financial Officer
Official Capacity

Issuer Details		For Month End	Date of Report
Name of Issuer			YY/MM/DD
Mota Ventures Corp.		May 2020	20/06/04
Issuer Address			
Suite 800 – 1199 W Hastings Street,			
City/Province/Postal Code		Issuer Fax No.	Issuer Telephone No.
Vancouver BC V6E 3T5		()	+1.604.423.4733
Contact Name		Contact Position	Contact Telephone No.
Joel Shacker		President & Director	+1.604.423.4733
Contact Email Address		Web Site Address	
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