

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: Abacus Health Products, Inc. (the "Issuer").

Trading Symbol: ABCS

Number of Outstanding Listed Securities: 9,832,826

Date: July 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.

**Issuer Response:** During the month of May, the Issuer has been focused on growing its operations and working to achieve product placement with new customers. New purchase orders from US retail chains including Kinney Drugs, Supervalu (a division of Unifi), and Tops Markets were received. Additionally, CVS Pharmacy began offering the Foot Pain products in 440 stores.

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 seeking new customer opportunities. Several meetings have taken place with pharmacy and grocery chains where the company presented the product offering and discussed potential product placement.

Management filed a short form prospectus on May 3, 2019 relating to the Issuer's bought deal offering of 2,464,450 units (each a "Unit") including the exercise, in full, of the underwriters' over-allotment option for gross proceeds of \$34,502,300 (the "Offering"). Each Unit consists of one subordinate voting share of the Issuer ("Subordinate Voting Shares") and one-half of one Subordinate Voting Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire, subject to adjustment in certain circumstances, one Subordinate Voting Share at an exercise price of \$18.00 for a period of 36 months following the closing of the Offering.

The Issuer issued its Q1 financial statements and MD&A on May 30, 2019 and held its first quarter 2019 conference call on May 31, 2019.

See the Issuer's previous SEDAR filings.

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 were developed during the month of May. The company is actively presenting its new advanced skin care line which launched in February 2019. The new skin care line includes products for skin conditions such as acne, eczema, itch and rash.

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 the month of May, in connection with the Offering described in item 1, the Issuer entered into a Warrant Indenture agreement with the Odyssey Trust Company as warrant agent.

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 such as pharmacies, grocery store chains, and health care practitioners. Please see item 1 above.

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 new hiring, terminations or lay-offs in May and no anticipated lay-offs.

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:** Not applicable.

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

**Issuer Response:** Not applicable.

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

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>
Subordinate Voting Shares	605,363	Conversion of Proportionate voting shares	N/A
Subordinate Voting Shares	23,906	Exercise of broker compensation warrants	USD \$89,647.50 Working capital and other corporate purposes
Subordinate Voting Shares	2,464,450	Bought deal unit offering	CAD \$34,502,300 Acceleration of marketing and sales programs, working capital to support

			sales, international distribution activities, and general corporate purposes
Warrants	1,232,225	Bought deal unit offering	N/A
Warrants	147,867	Broker compensation Bought deal unit offering	N/A

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

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

**Issuer Response:** Not applicable.

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

**Issuer Response:** Not applicable.

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:** No new updates. See previous SEDAR filings.

## 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 July 5, 2019.

Henry R. Hague, III  
Name of Director or Senior  
Officer

/s/ Henry R. Hague, III  
Signature  
CFO  
Official Capacity

<b>Issuer Details</b> Name of Issuer Abacus Health Products, Inc.	For Month End May 2019	Date of Report YY/MM/D 2019/07/05
Issuer Address  10 Wanless Avenue, Suite 201		
City/Province/Postal Code  Toronto, ON M4N 1V6	Issuer Fax No. (   )	Issuer Telephone No. (416) 848-1457
Contact Name  Hank Hague	Contact Position CFO	Contact Telephone No.  (401) 347-2778
Contact Email Address <a href="mailto:investorrelations@abacushp.com">investorrelations@abacushp.com</a>	Web Site Address <a href="http://www.abacushp.com">www.abacushp.com</a>	