

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: Canntab Therapeutics Limited (the "Issuer").

Trading Symbol: PILL

Number of Outstanding Listed Securities: 33,067,124

Date: August 31, 2020

#### 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 August 19, 2020 the Issuer announced that it had appointed Larry Latowsky as CEO effective immediately.*

*Originally appointed as an Advisor to the Company, it was mutually decided that Mr. Latowsky's extensive experience and connections in wholesale, retail and direct to consumer pharmaceutical industries would be an essential ingredient to the operations of the Company and accordingly the board of directors decided to appoint Larry as CEO.*

*Canntab had originally announced that Mr. Latowsky would be appointed to the Board as Executive Chairman, however, the board of directors unanimously determined that he would be much more valuable to the Company in a full-time role as CEO and will navigate Canntab's future growth.*

*Jeff Renwick, co-founder of Canntab, will assume the role of President and Head of Manufacturing while remaining an integral member of Canntab's Board of Directors.*

*Mr. Latowsky has held a number of leadership positions throughout his career including being President and CEO of Drug Trading Company and President and CEO of Katz Group Canada overseeing the largest network of pharmacy retailers in Canada operating as Rexall, Pharmaplus, IDA and Guardian Drugstores. Mr. Latowsky also led Propharm Technology and DC Labs a vertical manufacturing and packaging division of pharmaceuticals and over the counter drug store product. Mr. Latowsky, a graduate of the University of Toronto Rotman Business School and Institute of Corporate Directors of Canada program, has served on many profit and non-profit Boards including being Chairman of the Board for Well.ca, one of Canada's leading E-commerce companies. Mr. Latowsky's experience is a unique blend of traditional retail bricks and mortar, distribution, manufacturing and e-commerce/internet-based marketing and sales.*

*On August 21, 2020 the Issuer announced that it had entered into a binding asset purchase agreement to acquire certain cannabis-processing equipment and leasehold improvements (the "**CMAX Assets**") located at its 223 Riviera Drive, Markham, Ontario facility from CMAX Technologies Inc. ("**CMAX**"), a related party of the Company for \$1,018,000 (the "**CMAX Transaction**").*

*The purchase price of the CMAX Assets was based upon third party valuations ordered by Canntab. The purchase price will be satisfied through the issuance of 1,996,078 common shares of the Company (the "**Common Shares**") at a deemed price of \$0.51 per Common Share. A deposit of 200,000 Common Shares will be paid to CMAX within 14 days of the execution of the purchase agreement.*

The Company has also entered into a binding asset purchase agreement with Pharmagenerics Solutions Inc. (“Pharma”) to purchase cannabis-processing equipment (the “Pharma Assets”) owned by Pharma (the “Pharma Transaction”). The purchase price of the Pharma Assets of \$300,000 will be satisfied through the issuance of 588,235 Common Shares at a deemed price of \$0.51 per Common Share. Joshi Laxminarayan, Chief Scientific Officer of the Company is the sole officer, director and shareholder of Pharma. The binding asset purchase agreement replaces a letter of intent that Mr. Laxminarayan and the Company had entered into in March of 2020, and the deemed price of the Common Shares issuable to Mr. Laxminarayan were determined by reference to then-current closing price of \$0.50 per share. This corresponds as well to the \$0.50 unit financing completed at the same time.

The CMAX Transaction will constitute a related party transaction under Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“MI 61-101”) but is otherwise exempt from the formal valuation and minority approval requirements of MI 61-101. The CMAX Transaction has been approved by the independent director of the Company.

Richard Goldstein, Chief Financial Officer and Director of the Company is a shareholder and the sole director and officer of CMAX Technologies Inc. In addition, Jeffrey Renwick, Chief Executive Officer and Director of the Issuer, Barry Polisuk, Secretary and Director of the Issuer, and Joshi Laxminarayan, Chief Scientific Officer of the Issuer are shareholders of CMAX Technologies Inc. Mr. Polisuk holds 1.44% of CMAX’s outstanding common shares, Mr. Goldstein holds 11.19%, Mr. Renwick holds 38.83% and Mr. Laxminarayan holds 18.04%.

The closing of the CMAX Transaction and the Pharma Transaction are subject to customary closing conditions contained in transactions of this nature.

2. Provide a general overview and discussion of the activities of management.  
*None other than as described above.*
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.

See section 1 above.

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
Common Shares	2,584,313	See <sup>(1)</sup> below	Acquisition

<sup>(1)</sup> The Issuer intends to enter into a binding asset purchase agreement with CMAX, a related party of the Issuer, to purchase certain cannabis processing equipment and leasehold improvements (the "CMAX Assets") located at the Issuer's facility at 223 Riviera Drive, Markham, Ontario. The purchase price of the CMAX Assets is based upon third party valuations of the CMAX Assets ordered by CMAX. The purchase price of the assets of \$1,018,000 will be satisfied through the issuance of 1,996,078 common shares of the Issuer at a deemed price of \$0.51 per common share.

The Issuer intends to enter into a binding asset purchase agreement with Pharma to purchase cannabis processing equipment owned by Pharma. The purchase price of the assets of \$300,000 will be satisfied through the issuance of 588,235 common shares of the Issuer at a deemed price of \$0.51 per common share. Joshi Laxminarayan, Chief Scientific Officer of the Issuer, is the sole officer, director and shareholder of Pharma.

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.  
*On August 19, 2020 the Issuer announced that it had appointed Larry Latowsky as CEO. Further, Jeff Renwick will assume the role of President and Head of Manufacturing.*
- 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 September 4, 2020.

Richard Goldstein  
Name of Director or Senior  
Officer  
  
*signed "Richard Goldstein"*  
Signature  
CFO  
Official Capacity

<b>Issuer Details</b>		For Month End	Date of Report
Name of Issuer		August 31, 2020	YY/MM/DD
Canntab Therapeutics Limited.			20/09/04
Issuer Address			
1 Adelaide Street East			
City/Province/Postal Code		Issuer Fax No.	Issuer Telephone No.
Toronto, ON M5C 2V9		( )	416-957-6303
Contact Name		Contact Position	Contact Telephone No.
Richard Goldstein		CFO	416-957-6303
Contact Email Address		Web Site Address	
richard@canntab.ca		www.canntab.ca	