

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: CANSORTIUM INC. (the "Issuer").

Trading Symbol: TIUM

Number of Outstanding Listed Securities: 218,153,314 Common Shares as at July 31, 2021

Date: August 9, 2021

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.

**Response:** The Issuer has been focusing on operations, strengthening its balance sheet, capitalization as well as exploring potential expansion opportunities. The

Issuer has opened its Fluent Deerfield Beach dispensary, the Issuer's 26<sup>th</sup> retail location in Florida and its second dispensary in Broward County. See Issuer's Press Release dated July 19, 2021.

The Issuer has upgraded to the OTCQX from the OTCQB® Venture Market. The Issuer began trading on OTCQX under the symbol "CNTMF" as of July 22, 2021. See Issuer's Press Release dated July 21, 2021.

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

**Response:** Management has been actively involved in managing operations and continued expansion of the business. Management is continuing to evaluate ways to optimize operations and growth plans.

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.

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

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.

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

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.

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

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.

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

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.

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

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

**Response:** The Issuer continues to acquire new customers as a result of expanding markets, increased production and dispensary and product expansion.

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.

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

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

**Response:**

- 34 employees were terminated.
- 43 new employees were hired.

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

**Response:** 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.

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

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

**Response:** The Issuer has exercised its right under the convertible promissory notes (the "Notes") initially issued in the aggregate principal amount of US\$10 million in February 2019 (as amended in August 2020, February 2021 and May 2021) to force the conversion of the Notes into common shares of the Company. As a result, all obligations under the Notes have been satisfied and are thus canceled. See Issuer's Press Release dated July 2, 2021.

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

**Response:** The Issuer has exercised its right under the convertible promissory notes (the "Notes") initially issued in the aggregate principal amount of US\$10 million in February 2019 (as amended in August 2020, February 2021 and May

2021) to force the conversion of the Notes into common shares of the Company. See Issuer's Press Release dated July 2, 2021.

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

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

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

**Response:** There are 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.

**Response:** The impact of Coronavirus disease 19 ("COVID-19") on the Issuer's operations continues to be monitored, as well as its impact on markets where the Issuer operates in.

## 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 August 9, 2021

Todd Buchman  
Name of Director or Senior Officer

/signed/ Todd Buchman  
Signature

Chief Legal Officer  
Official Capacity

<b>Issuer Details</b>		For Month End	Date of Report
Name of Issuer		July 2021	YY/MM/D
Cansortium Inc.			21/08/9
Issuer Address			
82 NE, 26th Street, Unit 110			
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.	
Miami, FL 22137	( ) N/A	(305) 900-6266	
Contact Name	Contact Position:	Contact Telephone No.	
Todd Buchman	Chief Legal Officer	305-441-9085	
Contact Email Address	Web Site Address		
<a href="mailto:Todd.buchman@getfluent.com">Todd.buchman@getfluent.com</a>	<a href="http://www.cansortium.com">www.cansortium.com</a>		