

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: World Class Extractions Inc. (the "Issuer").

Trading Symbol: PUMP

Number of Outstanding Listed Securities: 599,496,572

Date: July 4, 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.

**On June 10, 2019 the Issuer announced that, at the special meeting of the shareholders of Quadron held on June 7, 2019 (the "Meeting"), the shareholders of Quadron voted in favour of a special resolution to approve the proposed transaction, pursuant to which, among other things, World Class will acquire all of**

the issued and outstanding shares of Quadron, by way of a court-approved plan of arrangement (the “Arrangement”) as previously announced on April 16, 2019.

The Arrangement required approval by (i) at least two-thirds of the votes cast by holders (“Quadron Shareholders”) of common shares in the capital of Quadron (“Quadron Shares”) present in person or by proxy at the Meeting, and (ii) a majority of the votes cast excluding the votes of Quadron Shares held or controlled by “interested parties” as defined under Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions. At the Meeting, the Arrangement was approved by (i) 99.97% of the votes cast by all of the Quadron Shareholders eligible to vote at the Meeting, and (ii) 99.96% of the votes cast by all of the Quadron Shareholders eligible to vote at the Meeting excluding votes of Quadron Shares held or controlled by interested parties. Approximately 37% of the total issued and outstanding Quadron Shares were voted in person or proxy at the Meeting.

It is expected that Quadron will apply for a final order of the Supreme Court of British Columbia in respect of the Arrangement on [June 11], 2019. Completion of the Arrangement remains subject to customary closing conditions, which are set out in the Arrangement Agreement, a copy of which can be found on the SEDAR profiles of World Class and Quadron at [www.sedar.com](http://www.sedar.com). Assuming that the conditions to closing of the Arrangement are satisfied or waived, it is expected that the Arrangement will be completed on or before [June 17], 2019. Further information about the Arrangement is set forth in the materials prepared by Quadron in respect of the Meeting, which were mailed to Quadron Shareholders and filed under Quadron’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

The Issuer also announced the grant of 300,000 incentive stock options to a business consultant. The stock options entitle the holder thereof to acquire one common share of World Class at a price of \$0.17 per share for a period of two years.

On June 17, 2019 the Issuer announced it has completed the previously announced plan of arrangement (the “Arrangement”) under the provisions of the *Business Corporations Act* (British Columbia), pursuant to which World Class has acquired all of the common shares of Quadron (the “Quadron Shares”) following Quadron’s amalgamation with World Class’s wholly-owned subsidiary, 1212476 B.C. LTD., to form a new wholly- owned subsidiary of World Class continuing as “Quadron Cannatech Corporation” (“Amalco”).

“The merger of Quadron Cannatech with World Class Extractions accelerates the pace and effectively increases progress towards our strategic goals of becoming the world’s largest extraction company in terms of capacity,” said Rosy Mondin, the new Chief Executive Officer of World Class. “The reconstituted management and board have diverse and strategically-relevant backgrounds to address the global opportunities arising in the cannabis and hemp industries.”

Under the terms of the Arrangement, each former Quadron shareholder is now entitled to receive two common shares of World Class (“World Class Shares”), for

each Quadron Share held prior to the Arrangement (the “Consideration”). In addition, options and warrants to purchase Quadron Shares will continue to remain outstanding as options and warrants of Amalco, which, upon exercise, will entitle the holders to receive the Consideration that such holders would have been entitled to be issued if, prior to the closing date of the Arrangement, such holders had exercised their options or warrants. It is anticipated that the Quadron Shares will be delisted from the Canadian Securities Exchange (“CSE”) as of the close of trading on June 17, 2019.

Pursuant to the letter of transmittal mailed to Quadron shareholders as part of the material in connection with the special meeting of Quadron shareholders held on June 7, 2019 (the “Meeting”), in order to receive the Consideration to which they are entitled, registered holders of Quadron Shares will be required to deposit their share certificate(s) representing Quadron Shares, together with a duly completed letter of transmittal, with Capital Transfer Agency, ULC, the depositary under the Arrangement. Shareholders whose Quadron Shares are registered in the name of a broker, dealer, bank, trust company or other nominee should contact their nominee with questions regarding the receipt of the Consideration.

#### **Management and Board Changes**

Upon completion of the Arrangement, the board of World Class was reconstituted to consist of Rosy Mondin, Chand Jagpal, Anthony Durkacz, Dr. Raza Bokhari and Donal Carroll. Ms. Mondin and Mr. Jagpal were nominees of Quadron, Mr. Durkacz and Dr. Bokhari were nominees of World Class, and Mr. Carroll was a joint nominee of World Class and Quadron. In addition, Ms. Mondin was appointed Chief Executive Officer, Leo Chamberland was appointed President and Zara Kanji was appointed Chief Financial Officer of World Class, while Michael McCombie resigned as Chief Executive Officer and Donal Carroll resigned as Chief Financial Officer of World Class.

#### **Advisors**

M Partners Inc. provided a fairness opinion to the Board of Directors of Quadron that the Arrangement is fair, from a financial point of view. First Republic Capital Corporation (“First Republic”) acted as financial advisor to World Class. In addition to other fees and expenses payable to First Republic, World Class paid a success fee (the “Success Fee”) to First Republic and Canaccord Genuity Corp. equal to, respectively, approximately 2.73% and 0.77% of the aggregate fair market value of the World Class Shares issuable by World Class to Quadron’s shareholders, payable in World Class Shares.

On June 18, 2019 the Issuer announced that in accordance with the requirements of National Instrument 62-103 The Early Warning System and Related Take-Over Bid and Insider Reporting Issues (“NI 62-10 3”), World Class Extractions Inc. (the “Reporter”) announced that it has acquired beneficial ownership and control over 71,650,447 common shares (“Common Shares”) in the capital of Quadron

**Cannatech Corporation ("Quadron"), which represents 100% of the issued and outstanding Common Shares.**

**This announcement was made in connection with the completion of the plan of arrangement ("Arrangement") on June 17, 2019, pursuant to which the Reporter acquired all of the Common Shares. Under the terms of the Arrangement, each former holder of Common Shares received two common shares in the capital of the Reporter (each, a "World Class Share"). For details of the Arrangement, please see the Reporter's press release dated June 17, 2019.**

**Immediately prior to the closing of the Arrangement that triggered the requirement for this announcement, the Reporter did not have beneficial ownership and control over any Common Shares. Immediately after the completion of the Arrangement, the Reporter owns 71,650,447 Common Shares, representing 100% of the issued and outstanding Common Shares. As a result of the Arrangement, Quadron became a wholly-owned subsidiary of the Reporter.**

**The purpose of the Arrangement was to enable the Reporter to acquire all of the outstanding Common Shares. The Reporter holds the Common Shares for investment purposes and may, in the future, increase or decrease its ownership of Common Shares or other securities of Quadron, from time to time depending upon, among other things, the business and prospects of Quadron and future market conditions.**

**On June 25, 2019 the Issuer announced that, effective immediately, it has appointed Anthony Durkacz as Chair of the Board of Directors. Mr. Durkacz was recently appointed to the Company's Board of Directors in conjunction with its recent merger with Quadron Cannatech Corporation.**

**Mr. Durkacz is currently the Co-Chair and a Director of FSD Pharma Inc. (CSE: HUGE) and has been a Director and Executive Vice President of First Republic Capital Corp. ("First Republic") since January 2014. First Republic acted as lead finder in several of the Company's prior private placement financings and has raised in excess of \$25,000,000 on behalf of the Company to date. Mr. Durkacz holds an Honours Bachelor of Business Administration from Brock University with a major in both Accounting and Finance. He has vast experience in financing, mergers and acquisitions and structuring micro-cap companies to go public. "I am honoured to be selected as the Chairman of the Board and look forward to getting to work with other board members and management to build shareholder value. We are in a most exciting growth phase in the hemp and cannabis extraction industries globally especially in America, Canada and Europe. With the significant previously stated extraction capacity we expect to have later this year, I look forward to assisting management in signing contracts and agreements to produce and sell large scale quantities of high-quality CBD and other Cannabinoids with our leading edge extraction technology." stated Mr. Durkacz.**

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

**None other than as described in paragraph 1 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.

**See paragraph 1 above.**

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.

**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	148,316,425	\$20,062,125.16, calculated on the basis of the trading price of the common shares on the Exchange on the trading day immediately preceding the closing of the arrangement (\$0.14), multiplied by 143,300,894 common shares of the Issuer issued to former shareholders of Quadron.	N/A

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.

**Upon completion of the Arrangement described in paragraph 1 above, the board of World Class was reconstituted to consist of Rosy Mondin, Chand Jagpal, Anthony Durkacz (Chair), Dr. Raza Bokhari and Donal Carroll. Ms. Mondin and Mr. Jagpal were nominees of Quadron, Mr. Durkacz and Dr. Bokhari were nominees of World Class, and Mr. Carroll was a joint nominee of World Class and Quadron. In addition, Ms. Mondin was appointed Chief Executive Officer, Leo Chamberland was appointed President and Zara Kanji was appointed Chief Financial Officer of World Class, while Michael McCombie resigned as Chief Executive Officer and Donal Carroll resigned as Chief Financial Officer of World Class.**

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 July 4, 2019.

Donal Carroll  
Name of Director or Senior  
Officer

signed "Donal Carroll"  
Signature  
Director  
Official Capacity

<b>Issuer Details</b> Name of Issuer World Class Extractions Inc.	For Month End June, 2019	Date of Report YY/MM/D 19/07/04
Issuer Address 750 West Pender Street, #810		
City/Province/Postal Code Vancouver BC V6C 2T7	Issuer Fax No. N/A	Issuer Telephone No. (855) 207-4491
Contact Name Donal Carroll	Contact Position Director	Contact Telephone No. 1 (855) 207-4491
Contact Email Address donal.carroll99@gmail.com	Web Site Address wcextractions.com	

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**FORM 7 – MONTHLY PROGRESS REPORT**

June 2019  
Page 8