



FORM 7
MONTHLY PROGRESS REPORT FOR THE MONTH ENDED DECEMBER 31, 2019

Name of Listed Issuer: MPX International Corporation (“MPXI” or the “Issuer”).

Trading Symbol: MPXI

Number of Outstanding Listed securities: 138,981,036

Date: January 8, 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.**

Acceleration of the Acquisition of the Medical Cannabis Learning Network

On December 3, 2019, the Issuer announced that it accelerated the acquisition of the remaining 80% interest of 2702148 Ontario Inc. dba KAAJENGA Cannabis (“**KAAJENGA Cannabis**”). On July 16, 2019, MPXI acquired a 20% stake in KAAJENGA Cannabis, securing the exclusive, worldwide, perpetual, royalty-free licence to the Medical Cannabis Learning Network (the “**MCLN**”), a turnkey video learning and engagement platform for the Cannabis Industry.

Since July, MPXI has fully integrated MCLN technology into its wholly-owned subsidiary Spartan Wellness Corporation (“**Spartan**”), a healthcare service provider and liaison that assists military veterans and first responders access medical services, including procuring medical cannabis. This approach has enabled MPXI to expand Spartan beyond military veterans and first responders to build relationships with other licensed producers.

MPXI acquired all remaining shares of KAAJENGA Cannabis for a purchase price of \$1,750,000 (the “**Purchase Price**”). The Purchase Price was satisfied through the issuance of 3,224,247 units (the “**Units**”) of the Issuer at a price of \$0.51 per Unit (for 2,696,078 Units) and \$0.71 per Unit (for 528,169 Units). Each Unit will be comprised of one common share in the capital of the Issuer (an “**MPXI Share**”) and one (1) common share purchase share warrant (“**Warrant**”). Each Warrant shall entitle the holder to purchase one (1) MPXI Share (“**Warrant Shares**”) at an exercise price of \$0.61 per Warrant Share for five (5) years from the date of issuance.

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

Reference is made to Item (1) above, the Issuer's page on the CSE website and its profile at www.sedar.com.

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.**

None.

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.

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.**

None.

- 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.**

None.

- 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.**

Reference is made to Item (1) above, the Issuer's page on the CSE website and its profile at www.sedar.com.

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

None.

- 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.**

Reference is made to Item (1) above, the Issuer's page on the CSE website and its profile at www.sedar.com.

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

None.

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

None.

- 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.**

None.

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

None.

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

During December 2019, the Issuer issued the following securities:

Date	Type of Security	Price per Security (CAD)	Number of Securities Issued or Issuable
December 3, 2019	Common Shares	\$0.51	2,696,078 ⁽¹⁾
December 3, 2019	Common Shares	\$0.71	528,169 ⁽¹⁾
December 3, 2019	Common Share Purchase Warrants	\$0.61	3,224,247 ⁽¹⁾
December 4, 2019	Common Shares	N/A	311,770 ⁽²⁾
December 31, 2019	Common Shares	N/A	300,832 ⁽³⁾

Notes:

- (1) On December 3, 2019, 3,224,247 MPXI Shares and 3,224,247 Warrants were issued to satisfy the purchase price for the acceleration of the acquisition of the remaining 80% interest of KAAJENGA Cannabis. See Item (1) above for further details.
- (2) On December 4, 2019, 311,770 common share purchase warrants were exercised into common shares of the Issuer.
- (3) On December 31, 2019, 300,832 common share purchase warrants were exercised into common shares of the Issuer.

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

None.

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

None.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

The Issuer is focused on developing and operating assets across the global cannabis industry with an emphasis on cultivating, manufacturing and marketing products which include cannabinoids as their primary active ingredient.

The Issuer will concentrate on developing its assets in Canada, while continuing to evaluate and develop opportunities in the European Union, United Kingdom, Australia and South Africa.

In its Summer 2018 edition of the European Cannabis Report, the leading industry advisory firm, Prohibition Partners estimated that the European cannabis market would grow to €115 billion (US\$177 billion) by 2028, virtually double the size of the forecast U.S. market. The same firm's estimate in its November issue of the Oceania Cannabis Report projected that total market size in Australia and Oceania to be approximately US\$23 billion (including CBD products). These markets are in the early stages of development compared to the industry in North America and the Issuer will focus on establishing early-mover advantage as the regulations in the respective countries continue to evolve. The Issuer continues to have the support of a large contingent of international

shareholders, which it believes will strengthen its international expansion efforts. The Issuer will spend time partnering with advisory and industry support groups across several countries and expects to be in a position to leverage managements relationship with key industry suppliers, leaving it well-positioned to take a quick foothold in these emerging cannabis markets.

According to a report released by the Brightfield Group, a research firm that provides data on legal CBD and Cannabis industries, the European CBD market is expected to hit \$416 million in 2019 and expected to grow 400% to \$1.7 billion in 2023.

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 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 January 8, 2020.

Jeremy S. Budd
Name of Director or Senior Officer

signed "Jeremy S. Budd"
Signature

Executive VP, General Counsel,
Corporate Secretary and a director
Official Capacity

Issuer Details	For Month End	Date of Report
<i>Name of Issuer</i> MPX International Corporation	December 2019	YY/MM/DD 20/01/08
<i>Issuer Address</i> 5255 Yonge Street, Suite 701		
<i>City/Province/Postal Code</i> Toronto, Ontario, M2N 6P4	<i>Issuer Fax No.</i> 1-877-595-1828	<i>Issuer Telephone No.</i> (416) 840-3725
<i>Contact Name</i> W. Scott Boyes	<i>Contact Position</i> Chairman, President and CEO	<i>Contact Telephone No.</i> (416) 840-3725
<i>Contact Email Address</i> info@mpxinternationalcorp.com	<i>Web Site Address</i> www.mpxinternationalcorp.com	