

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer:

CellCube Energy Storage Systems Inc. (the "Issuer").

Trading Symbol: **CUBE**

Number of Outstanding Listed Securities: 138,017,953

Date: October 4, 2018

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.

The Issuer's primary activity is the development of a fully integrated vanadium mining to vanadium redox flow battery company. The exploration

of the Bisoni McKay Vanadium Property in northern Nevada is also a primary activity. The fully-vested Vanadium property contains a 43-101 resource estimate, and contains 37 claims, plus an additional 164 claims to the north of the property, through the adjacent Bisoni-Rio property, right up to the nearby Gibellini Property. (In June, the Company announced its intentions to spin out the property – see Section 2 below). The Company renewed mineral rights title to all of the Bisoni and Bisoni-Rio claims during the month.

The Company has contracted Chris Healey to prepare an updated NI 43-101 Technical report on the Bisoni McKay and Bisoni-Rio property, which is now expected in October.

The Company's subsidiaries, Enerox, Enercube, Powerhaz, and Pure Vanadium continue to restructure under new leadership.

The Company is considering writing off the interest in the Soft Wave project as of year end, June 30, 2018.

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

The Company is currently taking steps to become a fully-integrated producer of vanadium and vanadium electrolyte products based upon the technological advances related to electrical energy storage. Of particular interest is providing electrolyte to the vanadium redox flow battery market which is rapidly gaining acceptance throughout the world.

To better refine its focus on the emerging green energy industry, the Company announced in June that it intends to spin out the Bisoni McKay and Bisoni-Rio properties to a newly formed subsidiary NewCo. CellCube shareholders would receive one share of NewCo. for every 2 shares of Cellcube held. Cellcube intends to hold a 19.9 percent interest in NewCo. The proposed spinout transaction will be subject to shareholder approval, CSE approval, and the timing of the transaction has not yet been announced.

Enerox GmbH (formerly Gildemeister GmbH)

Enerox continues to reorganize and restructure management while it refines its focus. The Company delivered its first battery in Germany, and installed its first energy storage system in New York during the month. Additionally, it delivered a battery to the University of Calgary for the ongoing joint research effort with PNNL.

Enercube Switchgear Systems (formerly Jet Power and Controls)

Enercube continues to re-organize under the leadership of President and CEO Brian Ricker. New sales opportunities are emerging as the company partners with Enerox on new opportunities.

On August 3, 2018 the Company announced a non-brokered private placement of up to 10 million units of the Company at a price of \$0.20 cents per unit, for gross proceeds of \$ 2 million. Each unit comprises one common share of the company and one-half of one common share purchase warrant of the company. Each warrant entitles the holder thereof to purchase one common share of the company at an exercise price of 40 cents for a period of 36 months from the date of issuance of the warrant. All securities issued pursuant to the private placement will be subject to a four-month hold period from the date of issue, and finder's fees may be paid where applicable. The financing is subject to customary closing conditions, including Canadian Securities Exchange approval. As of the date of this report, the financing has not been closed.

See Section 3 below

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.

During the month, the Company's wholly-owned subsidiary, Enerox GmbH, announced a new major joint partnership with Bettenergy in Bangkok, Thailand for the development of microgrid and solar plus storage applications throughout Thailand. Bettenergy is a leading solution provider for renewable powered energy projects ranging from rural community microgrids to power distributed energy resource projects for the private sector. The company develops and markets projects throughout Thailand that help mitigate renewable intermittency from stand-alone photovoltaics deployment. Bettenergy provides solutions for overcoming power supply problems from public grids in rural and commercial and industrial segments.

Enerox was also selected by selected as the long-duration energy storage system solution for E.ON Energidistribution AB's project in Simris, Sweden. The village of Simris, located in the region of Scania in southern Sweden, is supplied 100 per cent by locally produced renewable energy on an annual basis. This community microgrid showcases energy supply entirely by sun and wind. The energy for approximately 150 households is being generated from wind turbines with installed capacity of 500 kilowatts (kW) and photovoltaic panels with 440 kW, and will now be supported by a Cellcube energy storage system with a 1,800-kilowatt-hour usable energy capacity. The Cellcube system will serve to overcome renewable intermittency and act as a buffer between demand and supply of energy. At Simris, the Cellcube system is performing energy-centric, electricity storage functions of providing continuous energy out of solar and wind for energy delivery. This is a natural fit for its vanadium redox flow batteries where long

duration, reliable base load support is required. Enerox's Cellcube vanadium redox flow battery will be the backbone storage technology within the Simris project.

During the month, CellCube also announced that its wholly-owned subsidiary, Ennercube Switchgear Systems Inc. is expecting to deliver 6 completed projects in September/ October 2018, with total value of the contracts at \$3.9 million. These projects involve switchgear and specially designed engineered equipment within several industrial segments, including oil and gas, waste water, and pulp and paper. The projects are for customers located in British Columbia, Alberta, and Saskatchewan.

CellCube has also contracted Chris Healey to prepare an updated NI 43-101 Technical report on the Bisoni McKay and Bisoni-Rio property, which is now expected in October.

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.

See Section 3 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.

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.

None

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

None

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

None

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

None

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

On September 4, 2018 Bruno Arnold was appointed to the Board of Directors

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

The trend developing towards use of vanadium redox flow batteries (VRB) for grid-energy storage is a major benefit to companies with vanadium assets. Gildemeister GmbH has installed over 100 vanadium redox flow batteries in over 24 countries during the past few years. The pure-play vanadium deposits in the Company's Bisoni McKay and the Bisoni-Rio Properties in Nevada may be in high-demand as the world demand for vanadium increases.

In response to expanding uses for vanadium, prices have increased over approximately 320% since January 2017 with V2O5 prices now approximately US \$19 per pound. Vanadium, widely used as an alloy to strengthen steel and in vanadium flow batteries for the energy storage industry, is the best performing battery metal over this time period surpassing cobalt, copper and nickel.

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: October 4, 2018

Mike Neylan

Name of Director or Senior Officer

"Mike Neylan"

Signature

CEO/ Director

Official Capacity

<i>Issuer Details</i> Name of Issuer: Cellcube Energy Storage Systems Inc.	For Month Ended September, 2018	Date of Report YY/MM/D 18/10/04
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