

## FORM 7 MONTHLY PROGRESS REPORT

Name of Listed Issuer:  
CellCube Energy Storage Systems Inc. (the "Issuer").

Trading Symbol: CUBE  
Number of Outstanding Listed Securities: 182,397,240

Date: May 31, 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

1. (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.
  2. (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
  3. (c) Terms used and not defined in this form are defined or interpreted in Policy 1  
  
– Interpretation and General Provisions.
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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 development of a fully integrated vanadium company that develops, produces, manufactures and sells the vanadium redox flow battery for the energy storage industry including the production of vanadium, vanadium electrolytes.

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 2018 the Company acquired the subsidiaries, Enerox GmbH ("Enerox"), EnerCube Switchgear Systems Inc. ("Enercube"), PowerHaz Energy Mobile Solutions Inc. ("PowerHaz"), and Pure Vanadium Corp. ("Pure") to support the manufacture, sales, and installation of vanadium energy storage systems as well as complimentary electrical systems for connectivity to electrical grid infrastructure.

During the month the Company continued to develop these subsidiaries, and establish and develop sales in the respective companies. This includes the extension of new sales prospects in both switchgear and energy storage markets.

*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.

The Company continues to expand its reach for the energy storage industry predominately in North America (Canada, US), United Kingdom, Middle East, and Australia.

The company is progressing in its intent to spin out a certain percentage of its vanadium asset located in Nevada and retain an interest in the resource. CellCube and Regency Gold (TSX V RAU H) ("Regency") have entered into a letter of intent ("LOI") to spin out V23 Resource Corp. ("V23") and the Bisoni McKay and Bisoni-Rio vanadium projects to Regency.

The spin-out agreement is progressing and incoming management recently announced Regency is in the process of reviewing V23 and moving forward with a Definitive Agreement 03/05/2019. (news releases dated May 7, 2019, March 5, 2019, January 24, 2019 and December 12, 2018).

The Company intends to complete a non-brokered financing of up to \$10,000,000, with an over-allotment option of \$5,000,000, principal amount secured convertible debentures (the "Debentures"). The Debentures will be sold in units of \$1,000 in Canadian and US Dollar increments.

The Debentures will mature on the third anniversary of the date of issuance and bear interest at a rate of 9.0% per annum, which shall accrue and be paid semi-annually. Each Debenture shall, at the option of the holder, be convertible into common shares of the Company at a conversion price of \$0.30 per common share.

- 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.*

Enerox has launched its new benchmark setting energy storage system family FB250 and FB500 series. In its fourth generation the engineers at Enerox were able to significantly increase the round-trip system efficiencies, increasing peak power by 100% and increase power and energy density while solidly executing on its cost/performance path.

Enerox received an award EES award, in the category of Electrical Energy Storage at the Munich Intersolar/EES event. The award was given for the development of its CellCube FB500-2000, the largest single module flow-battery based energy storage system.

- 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 during the month

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.*

CellCube entered into a consortium which is managed by Enerox together with its previously announced UK partner Immersa and Hive Energy, a UK based solar asset operator. The companies intend to develop a large scale energy storage project which aims to provide several grid services in connection to peaking capacity and ancillary services at once termed Green Peaker Plant.

On May 14<sup>th</sup> Enerox announced that Pangea Energy Pty Ltd. ("Pangea Energy") and CellCube's subsidiary Enerox GmbH, signed a Letter of Intent on May 13, 2019 to build a 50MW / 200MWh Energy Storage System on grid scale level in Port Augusta, South Australia. The project will offer multiple grid services such as voltage compensation, reactive power and frequency regulation services but offering renewable baseload to the Australian market which goes hand-in-hand with a planned 50MW solar project at the same site.

EnerCube has completed a significant sale and complex switchgear upgrade to the AltaSteel plant. AltaSteel is a Canadian manufacturer of prime quality steel products for the mining, construction, automotive and engineering industries based in Edmonton, Alberta. (see press release 04/01/19)

EnerCube Switchgear Systems Inc. received a significant purchase order on April 15, 2019 valued at \$1,100,000 from Raptor Rig Ltd. The Company also received a purchase order on May 3, 2019 for \$700,000 USD from a metal recycling facility in Minneapolis, Minnesota. The order includes the design, manufacture, test and supply 38kV outdoor rated (NEMA 3R) Metal clad switchgear.

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.*

On April 25, 2019 3,465,000 warrants were exercised and 770,000 expired from the issuance on April 25, 2017.

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 the disposition was to a Related Person of the Issuer and provide details of the relationship.*

None during the month

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

(see question 5 for new customers)

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

Warrants exercised during the month were 3,465,000 with a value of \$346,500.

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

None during the month

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

The Company appointed the following people to its Audit and Compensation committees. Audit Committee members are Michael Nobrega, Brett Whalen and Stefan Schauss. Compensation Committee members are Henrik Mikkelsen, Henk van Alphen and Bruno Arnold.

The Company elected to name Brett Whelan, Chairman of the board

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 for grid- energy storage is a major benefit to companies with the vanadium resource and energy storage assets.

Bloomberg reports; \$130 Billion of Energy Storage deployments until 2030. The Market will grow in excess of 300GWh until 2030.

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 peaked since January 2017 but have dropped significantly now from its highs and trades at approximately US \$ 8.00 per pound. A drop of \$4.00 from April price. Vanadium is widely used as an alloy to strengthen steel and in vanadium flow batteries for the energy storage industry.

#### Certificate of Compliance

The undersigned hereby certifies that:

“John Dyer”

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: May 31, 2019

John Dyer, Chief Financial Officer

Signature

CFO/ Director Official Capacity

Issuer Details		
Name of Issuer: Cellcube Energy Storage Systems Inc.	For Month Ended May 2019	Date of Report June7, 2019
Issuer Address		
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