

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: **Core One Labs Inc.** (the "Issuer").

Trading Symbol: **COOL**

Number of Outstanding Listed Securities: **96,283,743 common shares were issued and outstanding as of January 31, 2021.**

Date: **February 4, 2021 (for the month of January)**

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.

During the month of January 2021, the Issuer continued to execute its business plan.

On January 12, 2020 the Issuer announced plans to initiate an intellectual property strategy that will utilize its patented transmucosal thinstrip delivery method (“thinstrip delivery method”) in combination with its proprietary biosynthetic psilocybin, developed by its wholly-owned subsidiary, Vocan Biotechnologies Inc. (“Vocan”).

On January 15, 2021 the Issuer announced that it had completed the sale of non-core assets and subsidiaries in California for CAD\$3,000,000 plus the assumption of approximately USD\$4,000,000 in related liabilities. The completion of this sale eliminates monthly expenses related to the operation in Adelanto, California and allows the Issuer to focus its core business on the continued development of psychedelic alternative medicines and experiential therapies, and its CannaStrip™ delivery technology. In connection with the divestment of the Adelanto assets, Mr. Casey Fenwick resigned as President of the Issuer.

In connection with the completion of the Adelanto asset sale, the Issuer issued 500,000 common shares to three arms-length third-parties who assisted with facilitating such sale. These shares are subject to a hold period of four months and one day.

On January 23, 2021 the Issuer announced its wholly-owned subsidiary Vocan Biotechnologies Inc. (“Vocan”) had assembled the necessary equipment, which will allow the laboratory to commence the process of recombinant production of psilocybin and produce biosynthesized psilocybin. The process engineers bacteria with optimized biosynthetic genes from the Psilocybe cubensis mushroom, which enables the bacteria to act as a biological factory and synthesize psilocybin that is cost effective using simple building blocks.

Vocan’s platform can make the active compounds that occur naturally, by using a gene mimicry process and simple chemical modifications to enable the creation of bioidentical compounds as well as known and novel analogs.

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

Over the month of January 2021, management continued to execute on its business plan.

Management engaged in integrating the newly acquired wholly-owned subsidiary Vocan into the business. The Issuer planned to initiate another intellectual property strategy that will utilize its patented transmucosal thinstrip delivery method (“thinstrip delivery method”) in combination with its proprietary biosynthetic psilocybin, developed by its wholly-owned subsidiary Vocan (see #1 above).

Management completed the sale of non-core assets and subsidiaries in California for CAD\$3,000,000 plus the assumption of approximately USD\$4,000,000 in related liabilities. Mr. Casey Fenwick resigned as President of the Issuer in connection with this sale.

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.

Not applicable for the month of January, 2021.

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.

In connection with the sale of Assets described in #1 above, all cannabis products and extracts were discontinued.

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.

Not applicable for the month of January 2021.

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.

In connection with the sale of Assets described in #1 above, all contracts related to the operations in California were discontinued.

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.

See #1 above

8. Describe the acquisition of new customers or loss of customers.
In connection with the sale of Assets described in #1 above, all customers purchasing cannabis products in California were not retained.

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.
See #1 above.

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.
In connection with the sale of Assets described in #1 above, the entire California team who worked at the facility and managed the operations, including but not limited to the cultivation, production, sale, licensing, administration, were all transferred over to a company not owned by the Issuer.

11. Report on any labour disputes and resolutions of those disputes if applicable.
Not applicable for the month of January, 2021.

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.
Not applicable for the month of January, 2021.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.
The Issuer settled \$74,000.00 in outstanding indebtedness to an arms-length party through the issuance of 88,095 common shares at a price of \$0.84 per share. The shares issued under the debt settlement (the "debt settlement") will be subject to a hold period of four months and one day from the date of issuance.

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

Security	Number Issued	Details of Issuance	Use of Proceeds⁽¹⁾
Common Shares	500,000	Issued in consideration of the Asset Sale Administration Fee	N/A
Common Shares	88,095	Issued in consideration of the debt settlement	N/A
Incentive Stock Options	6,720,000	Incentive Stock Options issued to certain Directors, Officers, Employees and Consultants. Exercisable at a price of \$1.05 for a period of three years from the date of grant.	N/A

(1) State aggregate proceeds and intended allocation of proceeds.

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

Not applicable for the month of January, 2021.

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

On January 7, 2020 the Issuer announced the appointment of Leading Microbiologist, Dr. Robert E.W. Hancock as Executive Chairman to fill the vacancy created by the resignation of Casey Fenwick from the Board on the same date.

On January 15, 2021, the Issuer announced the resignation of Casey Fenwick from his position as President of the Issuer.

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

Risks related to the rapid expansion of the COVID-19 pandemic

The Issuer is cognizant of the rapid expansion of the COVID-19 pandemic and the resulting global implications. To date, there have been no disruptions to the Issuer's day-to-day operations. However, the Issuer cautions that there continues to be a possibility for potential future implementation of certain restrictions. The impact of these restrictions on the Issuer's operations, if implemented, is currently unknown but could be significant.

Regulatory Risks

The activities of the Issuer are subject to intense regulation by governmental authorities. Achievement of the Issuer's business objectives are contingent, in part, upon compliance with regulatory requirements enacted by these governmental authorities and obtaining all regulatory approvals, where necessary, for the sale of its products. The Issuer cannot predict the time required to secure all appropriate regulatory approvals for its products, or the extent of testing and documentation that may be required by governmental authorities. Any delays in obtaining, or failure to obtain regulatory approvals would significantly delay the development of markets and products and could have a material adverse effect on the business, results of operations and financial condition of the Issuer.

Psilocybin is currently a Schedule III drug under the Controlled Drugs and Substances Act (Canada) (the "CDSA") and it is a criminal offence to possess substances under the CDSA without a prescription or authorization. Health Canada has not approved psilocybin as a drug for any indication. The Issuer does not have any direct or indirect involvement with illegal selling, production, or distribution of psychedelic substances in jurisdictions in which it operates. While the Issuer believes psychedelic substances can be used to treat certain medical conditions, it does not advocate for the legalization of psychedelics substances for recreational use. The Issuer does not deal with psychedelic substances, except within laboratory and clinical trial settings conducted within approved regulatory frameworks.

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: February 4, 2021.

Joel Shacker
Name of Director or Senior
Officer
"Joel Shacker"
Signature
CEO
Official Capacity

Issuer Details Name of Issuer Core One Labs Inc.	For Month End January 31 31, 2021	Date of Report YY/MM/DD 21/02/04
Issuer Address #3123 – 595 Burrard Street		
City/Province/Postal Code Vancouver, BC, V7X 1J1	Issuer Fax No. (604) 609- 6145	Issuer Telephone No. (604) 609-6142
Contact Name Joel Shacker	Contact Position CEO	Contact Telephone No. 604-416-2965
Contact Email Address Info@core1labs.com	Web Site Address www.core1labs.com	

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