

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: Mota Ventures Corp. (the “Issuer”).

Trading Symbol: **MOTA**

Number of Outstanding Listed Securities:

Date: **May 5, 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.

On April 1, 2020, the Issuer completed a private placement of 6,142,859 units (each, a “Unit”) by way of non-brokered private placement at a price of \$0.28 per Unit for gross proceeds of \$1,720,000. Each Unit consists of one common share of the Issuer, and one common share purchase warrant (each, a “Warrant”) exercisable to acquire an additional share at a price of \$0.38 for a period of twenty-four months from the date of issuance. The proceeds from the offering are to be used to further develop and market products, provide support for ongoing operations of Sativida, and for general working capital purposes. In connection with this offering, the Issuer issued 178,215 common shares to certain arms-length parties who assisted in facilitating the offering.

On April 1, 2020, the Issuer also settled indebtedness of \$283,500 owing to an arm’s length creditor in consideration of services previously provided to the Issuer (“Debt Settlement”). Under the terms of the Debt Settlement, the Issuer issued 1,012,500 Units, at a deemed price of \$0.28 per Unit.

On April 4, 2020, the Issuer provided an update on the recent progress that was fueling the increase in sales for products under its First Class CBD brand. It was noted that the Immune Support product line was received exceptionally well by consumers since it launched on March 14, 2020.

On April 8, 2020, the Issuer announced that it acquired (the “Acquisition”) all of the outstanding share capital of 1244780 B.C. Ltd. (the “Target”). The Acquisition was completed pursuant to a share exchange agreement, dated April 7, 2020, and entered into with an arms-length third party (the “Vendor”). The sole asset of the Target consists of a 20% equity interest in Folium Life Sciences Inc., which is in the process of developing a licensed indoor cannabis production facility located on Vancouver Island. In consideration for the Acquisition, the Issuer issued 21,000,000 common shares to the Vendor and 210,000 common shares to a consultant who assisted with the Acquisition.

On April 13, 2020 the Issuer announced its First Class CBD and Nature’s Exclusive brands acquired over 6,000 new customers from April 1st through April 11th. Additionally, during this time period over 1,700 of the new customers purchased products from the Immune Support line. The Issuer announced that during the month of March, the Issuer experienced a record number of new customers enrolling in a monthly subscription, totaling 18,962. The Immunity Blend was noted as the Issuer’s top seller in the Immune Support line. The all natural blend is made from 100% pure essential oils, including cinnamon leaf, lemon, clove bud, lime, eucalyptus globulus, rosemary, peppermint, spearmint and oregano. The line also features Immune CBD oil containing CBD, B3, B12, Vitamin C and Zinc and Immunity Gummy Bears contain 100% natural Elderberry extract.

On April 18, 2020, the Issuer announced that for the month of March 2020, its First Class CBD brand achieved sales of Cdn\$4,290,000, with related expenses of Cdn\$4,240,000. Customer acquisition expenses for March 2020 included one-time costs of approximately Cdn\$1,160,000 associated with the introduction of the new line of Immune Support and CBD products. The Immune Support product line experienced further positive growth contributing to First Class acquiring 20,959 new customers during the month of March. Sales for March 2020 compared to sales of Cdn\$1,280,000 during the same period last year, represented an increase of 235%.

The Issuer also introduced a new brand, Nature's Exclusive CBD, in the first week of April 2020. The Nature's Exclusive CBD brand offers a range of products, which include the new Immune CBD oil, Elderberry gummies, CBD oil drops, CBD gummies, CBD pain relief cream, CBD skin serum and CBD coffee.

On April 22, 2020, the Issuer completed a further offering of 9,944,000 Units by way of non-brokered private placement at a price of \$0.28 per Unit for gross proceeds of \$2,784,320. When combined with the earlier offering completed by the Issuer on April 1, 2020, the Issuer raised gross proceeds of \$4,504,320. In connection with completion of the offering, the Issuer paid \$75,120 and issued 262,857 common shares and 268,287 Warrants to certain arms-length parties who assisted in facilitating the offering. The Issuer also issued 142,857 Warrants to an arms-length consultant, as partial consideration for services provided to the Issuer. The Issuer expects to utilize the proceeds of the offering to further develop and market products in North America and Europe using its ecommerce sales channels, to satisfy compensation obligations owing to employees based on services provided to the Company, the satisfaction of performance metrics and for general working capital purposes.

On April 23, 2020, the Issuer announced that it received approval from the Depository Trust Company ("DTC") to make the Issuer's common shares eligible to be electronically cleared and settled through DTC under the ticker symbol "PEMTF".

On April 25, 2020, the Issuer announced an interim record number of new customer acquisitions for the month of April, for the period April 1st - 23rd. Specifically, a total of 14,388 new customers were acquired for the Nature's Exclusive brand. The Issuer reported that each new customer spent an average of US\$151.96. The record number included 1,748 new customers that purchased products in the immune support category.

On April 27, 2020, the Issuer announces that it would begin replicating its highly successful business plan and operations in the United States for expansion into the European market with its Sativida brand, acquired on

**March 26, 2020. The Issuer reported the following significant milestones; (a) interim record of 14,388 new customers from April 1<sup>st</sup> to 23<sup>rd</sup>; (b) record number of new customers in March; (c) revenue of \$4,290,000 in March and; (d) revenue of \$2,981,000 in February, representing growth of 832% over same period last year.**

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

**Management of the Issuer has been engaged in raising money, growing its online CBD businesses in the United States (Natures Exclusive CBD), launching new products and expanding its European presence with its Sativida brand.**

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.

**The Issuer launched Nature's Exclusive CBD on April 6, 2020. The new Nature's Exclusive CBD brand introduced a line of Immune Support and CBD products with a higher content of CBD. The Nature's Exclusive CBD brand offers a range of products, which include the new Immune CBD oil, Elderberry gummies, CBD oil drops, CBD gummies, CBD pain relief cream, CBD skin serum and CBD coffee.**

**The Immunity Blend is currently the Issuer's top seller in the Immune Support line. The all natural blend is made from 100% pure essential oils, including cinnamon leaf, lemon, clove bud, lime, eucalyptus globulus, rosemary, peppermint, spearmint and oregano. The line also features Immune CBD oil containing CBD, B3, B12, Vitamin C and Zinc and Immunity Gummy Bears contain 100% natural Elderberry extract.**

**The Issuer intends to launch a hand sanitizer product containing CBD through its Nature's Exclusive brand on May 1, 2020. The Nature's Exclusive CBD hand sanitizer will contain 70% ethyl alcohol as its active ingredient, as well as, CBD isolate and Vitamin E, and will initially be offered only to consumers in the United States.**

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.

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**The Issuer acquired a 20% equity interest in Folium Life Sciences Inc. as announced in a news release dated April 8, 2020.**

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.

**Not Applicable**

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.

**On April 8, 2020, the Issuer acquired all of the outstanding share capital of 1244780 B.C. Ltd. pursuant to a share exchange agreement, dated April 7, 2020, and entered into with an arms-length third party. The sole asset 1244780 B.C. Ltd. consisted of a 20% equity interest in Folium Life Sciences Inc., which is in the process of developing a licensed indoor cannabis production facility located on Vancouver Island. In consideration for the acquisition of 1244780 B.C. Ltd., the Issuer issued 21,000,000 common shares at an effective price of C\$0.40 per share, with an aggregate value of \$8,400,000, and paid an administrative fee of 210,000 common shares to a consultant who assisted with the acquisition. The purchase price for the acquisition was determined based on arms'-length negotiations with the vendor of the acquired assets. The vendor, 1244780 B.C. Ltd. and Folium Life Sciences Inc. were at arms-length from the Issuer.**

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

**First Class CBD and Nature's Exclusive brands acquired 17,996 new customers in the month of April.**

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. **None**
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**

Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness. **On April 1, 2020, the Issuer settled indebtedness of \$283,500 owing to an arm's length creditor in consideration services previously provided to the Issuer. Under the terms of the debt settlement, the Issuer issued 1,012,500 Units, at a deemed price of \$0.28 per Unit.**

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

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>
Common Shares	6,142,859	Issued in connection with the April 1, 2020 private placement	Use of funds are intended to further develop and market products in North America and Europe and for general working capital purposes.
Common Shares	178,215	Finder's fee for April 1, 2020 private placement	Finder's fee
Common Shares	1,012,500	Debt settlement	Debt settlement
Common Shares	21,000,000	Folium acquisition	Acquisition
Common Shares	210,000	Issued in connection with administrative assistance with the Folium acquisition	Administrative fee
Common Shares	9,944,000	Issued in connection with the April 22, 2020 private placement	Use of funds are intended to further develop and market products in North America and Europe, to satisfy

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Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>
			compensation obligations and for general working capital purposes
Common Shares	262,857	Issued as payment to an advisor in connection with the April 22, 2020 private placement	Advisory Shares
Warrants	6,142,859	Issued in connection with the April 1, 2020 private placement	Same as above
Warrants	1,012,500	Debt settlement	Same as above
Warrants	9,944,000	Issued in connection with the April 22, 2020 private placement	Same as above
Warrants	268,287	Issued to certain arms-length parties who assisted in facilitating the April 22, 2020 private placement	Issued to certain arms-length parties who assisted in facilitating the April 22, 2020 Offering
Warrants	142,857	Issued as partial consideration to an arm's length consultant	Issued as partial consideration to an arm's length consultant

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

14. Provide details of any loans to or by Related Persons. **None**
15. Provide details of any changes in directors, officers or committee members. **None**
16. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

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In December 2019, the 2019 novel coronavirus (“COVID-19”) surfaced in Wuhan, China. The World Health Organization declared a global emergency on January 30, 2020 with respect to the outbreak and then characterized it as a pandemic on March 11, 2020. The outbreak has spread throughout the United States, Europe and Canada, causing companies and various international jurisdictions to impose restrictions, such as quarantines, closures, cancellations and travel restrictions. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time. Such public health crises can result in volatility and disruptions in global supply chains, business operation and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect, interest rates, credit ratings, credit risk and inflation. The risks to the Issuer of such public health crises also include risks to employee health and safety and a slowdown or temporary suspension of operations in geographic locations impacted by an outbreak, labour shortages, travel and shipping disruption and shutdowns (including as a result of government regulation and prevention measures). At this point, COVID-19 has not negatively impacted the business of the Issuer and has instead led to an increase in online sales of new products. Despite the initial positive impact, the extent to which COVID-19 may impact the Issuer is uncertain and it is possible that COVID-19 may have a material adverse effect on the Issuer’s business and financial condition.



## 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 May 5, 2020.

Szascha Lim  
Name of Director or Senior Officer

/s/Szascha Lim  
Signature

Chief Financial Officer  
Official Capacity

<b>Issuer Details</b>		For Month End	Date of Report
Name of Issuer			YY/MM/DD
Mota Ventures Corp.		April 2020	20/05/05
Issuer Address			
Suite 800 – 1199 W Hastings Street,			
City/Province/Postal Code		Issuer Fax No.	Issuer Telephone No.
Vancouver BC V6E 3T5		( )	+1.604.423.4733
Contact Name		Contact Position	Contact Telephone No.
Joel Shacker		President & Director	+1.604.423.4733
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