

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: **LIHT CANNABIS CORP. (Liht Cannabis Corp. or the “Company”)** (the “Issuer”).

Trading Symbol: **LIHT**

Number of Outstanding Listed Securities: **228,346,532**

Date: **November 3, 2018 – Reporting on October 2018**

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 October 24, 2018 - The Company announced by news release that it had changed its name to “Liht Cannabis Corp.” (“Liht”). The Company’s common shares commenced trading on the Canadian Securities Exchange (the “CSE”) under the new symbol “LIHT” and on the OTCQX under the new symbol “LIHTF” on October 25th, 2018. The Company will keep its European shareholders advised by news release of changes to their market’s ticker symbol.***
 - ***On October 3, 2018 – The Company announced by news release that the Company had submitted the necessary amendments to its late-stage, Health Canada’s Access to Cannabis for Medical Purposes Regulations (“ACMPR”) application. The Company is honoured that Mr. Gabriel Cipes has accepted the appointment of Head of Quality Assurance and has approved the Company’s amendments to the Quality Assurance portion of its application. Mr. Cipes is Vice President of Summerhill Pyramid Winery, one of the largest certified organic wineries in Canada. In 2010, he created the biodynamic and permaculture department at the winery which has been a major aspect of Summerhill’s ‘Organic’ branding and story, achieving the first certified Demeter vineyard in western Canada. Mr. Cipes conducts Scientific Research & Experimental Development (SRED) developing polycultural management strategies to prove that one can not only produce diversified yields but also benefit the environment through incorporating biodiversity. He has been developing and advising departments of environmental best practices such as waste water re-capture, ground water***

restoration strategies, recycling, composting and maintaining the zero waste principles and ethics.

Mr. Cipes serves on several organic and biodynamic certification boards such as, Demeter Canada, the Biodynamic Associations of BC (BDASBC) and the Certified Organic Associations of BC (COABC) where he provides oversight for all Certification Bodies (CB`s) in BC and oversees certification programs, Canadian Organic Regime (COR) and the BC Certified Organic Program (BCCOP).

- **Nevada cultivation facilities** – On October 23, 2018 the Company announced by news release that its first facility had been granted the final approval to commence operations, from the State of Nevada. On Friday October 19th, the State of Nevada completed their final inspection of the first 5,000 sq. ft facility which is designated to the Company's Phenofarm Cultivation Licence. All permitting is complete for this licence and the final approval now allows for the immediate transition of plants to the new facility to complete their cycle and provide first harvest. The Company's second 5,000 sq. ft facility, designated to the Econeveda Cultivation and Processing Licences is pending final kitchen and equipment inspection.

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

None to report this period.

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 to Report.

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.

No products or services have been 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.

None to report this period.

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 to report this period.

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 to report this period.

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

None to report this period.

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 to report this period.

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

There is no new hiring, no terminations and no lay-offs.

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

There are no labour disputes.

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 to report this period.

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

The Company continues to pay its bond holders interest from the date of the close as announced by news release on May 8, 2017.

On September 26, 2018, the Company has, closed over-subscribed on the non-brokered unsecured debenture financing (“*Debenture Offering*”) through the issuance of CDN\$3,263,093 principal number of debentures (the “*Debentures*”).

The *Debentures* mature on October 23, 2019 and bear interest at a rate of 10% per annum, which shall accrue and be paid on the maturity date. The *Debentures* shall be convertible into units (“*Debenture Units*”) of the Company at a conversion of \$0.20 per *Debenture Unit*. Each unit will be comprised of one Common Share of the Company and one Common Share Purchase Warrant exercisable at \$0.50 for one year from the date of issuance.

In connection with the *Debenture Offering*, the Company paid cash finder’s fees of \$132,986 and issued 48,216 finder’s warrants exercisable at \$0.50 for one year from the date of issuance.

All securities issued in connection with the *Debenture Offering* will be subject to a four-month hold period from the date of issue under applicable Canadian securities laws, in addition to such other restrictions as may apply under applicable securities laws of jurisdictions outside Canada.

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

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

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Common Shares	54,494	RSU Issuance	N/A

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

None to report this period.

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

On October 9, 2018 – The Company announced that it has begun to assemble a strategic Management Advisory Board (MAB). With a directive to become a global industry leader in organic cannabis production. The Company is pursuing innovative and ground-breaking technologies to incorporate in its cultivation processes and practices. The Company is striving to provide the purest product with most effective medicinal benefit and the ability to maximize strain profiles while leaving the smallest environmental footprint. To view the list of appointed members, visit www.lihtcannabis.com

On October 3, 2018 - The Company appointed Mr. Gabriel Cipes as Head of Quality Assurance.

October 17, 2018 - The Board appointed a fourth Independent Director, Richard Huhn.

On October 25, 2018 – The Company appointed Linda Sampson as President and Chief Operating Officer and Rahim Mohamed as Chief Executive Officer effective immediately.

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

On October 17, 2018 - The Prime Minister of Canada, Justin Trudeau announced the legalization of recreational cannabis in Canada.

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: November 3, 2018

Linda Sampson
Name of Director or Senior
Officer

"Linda Sampson"
Signature
President & COO
Official Capacity

Issuer Details		
Name of Issuer Liht Cannabis Corp	For Month End October 2018	Date of Report YY/MM/D 2018/11/03
Issuer Address 102-1561 Sutherland Avenue		
City/Province/Postal Code Kelowna, BC V1Y 5Y7	Issuer Fax No. ()N/A	Issuer Telephone No. (778)583-4476
Contact Name Linda Sampson	Contact Position President & COO	Contact Telephone No. (778) 583-4476
Contact Email Address Office@lihtcannabis.com	Web Site Address www.lihtcannabis.com	

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