

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: **Grown Rogue International Inc.** (the "Issuer").

Trading Symbol: **GRIN**

Number of Outstanding Listed Securities: **71,653,598**

Date: January 5, 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**

- (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, headquartered in Medford, Oregon, is a vertically-integrated, multi-state cannabis company curating innovative products to provide consumers with the right cannabis experience. Each of the Issuer's products and strains are categorized and marketed based on unique effects and designed for the full range**

of a consumers' active lifestyle from Relaxation to Energizing. The Issuer's "seed to experience" positioning conveys the vision of ensuring "the right experience, every time". The Issuer's diverse cannabis product suite includes premium flower, patent-pending nitrogen sealed pre-rolls, oil and concentrates.

In the previous month, the Issuer announced the latest addition to its experience-branded cannabis product line, with the launch of 3.5oz nitrogen sealed flower jars. The premium nitrogen fresh-sealed flower glass jars are an industry first.

On December 5, 2018, the Issuer announced its expansion into California and that it secured 16,000 square feet of real estate in California's Humboldt County, as part of a multi-state expansion of its operations into California through its subsidiary GRD Cali, LLC. GRD Cali, LLC has received licensing approval from the City of Eureka and anticipates full distribution license approval from the State of California shortly. In 2019, the Issuer plans to build out the 16,000 square feet California location to add a manufacturing lab as well as retail operations.

On December 10, 2018, the Issuer announced the launch of an edible line through a partnership with Jeff Shepherd, a world renowned Chocolatier. The partnership will feature TCH and CBD infused chocolate products under the GRAM and Grown Rogue brands – both wholly-owned by the Issuer. GRAM Dark Chocolate edibles are now available in a select number of the 221 Oregon dispensaries that carry the Grown Rogue brands.

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

Management was actively looking at various expansion opportunities in other states and expansion plans for the business in the State of California. Management also spent time working on strategic planning for the remainder of 2018. The plan included, among other things, expansion of new product lines and effective branding and development of marketing strategies.

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.

See item 1.

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.

N/A

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 item 1.

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.

**N/A**

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.

**N/A**

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

**N/A**

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.

**N/A**

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

**N/A**

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

**N/A**

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.

**N/A**

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

**N/A**

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

**N/A**

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

**N/A**

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

**Trends and risks which may impact the Issuer are detailed in Section 17 – Risk Factors - in the Issuer’s Listing Statement dated November 15, 2018.**

## 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 January 5, 2019

J. Obie Strickler  
Name of Director or Senior  
Officer

"J. Obie Strickler"

Signature  
President and CEO  
Official Capacity

|                                |                             |                       |
|--------------------------------|-----------------------------|-----------------------|
| <b>Issuer Details</b>          | For Month                   | Date of Report        |
| Name of Issuer                 | End                         | YY/MM/D               |
| Grown Rogue International Inc. | December                    | 2019/01/05            |
| 2018                           |                             |                       |
| Issuer Address                 |                             |                       |
| 340 Richmond Street West       |                             |                       |
| City/Province/Postal Code      | Issuer Fax No.              | Issuer Telephone No.  |
| Toronto, Ontario, M5V 1X2      | (416)                       | (503) 765-8108        |
|                                | 364-8797                    |                       |
| Contact Name                   | Contact                     | Contact Telephone No. |
| J. Obie Strickler              | Position                    | (503) 765-8108        |
|                                | CEO                         |                       |
| Contact Email Address          | Web Site Address            |                       |
| obie@grownrogue.com            | https://www.grownrogue.com/ |                       |