

FORM 7

MONTHLY PROGRESS REPORT

For January 2021

Name of Listed Issuer: **Liberty Health Sciences Inc.** (the "Issuer" or "Company").

Trading Symbol: **LHS**

Number of Outstanding Listed Securities: **346,090,635 common shares**

Date: **February 5, 2021**

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 January 22, 2021, the Company announced the opening of its 29th dispensary in Fort Meyers, Florida. Liberty Fort Meyers, located at 8951 Daniels Parkway, is a spacious facility that provides ample parking and a well-trained staff to assist patients and answer questions about products and review doctor recommendations.

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

In Florida, in addition to initiating production expansion activities at its Liberty 360° Innovation Campus in Gainesville, management continues to seek and open potential dispensary sites.

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 in the month of January.

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 to report in the month of January.

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 in the month of January.

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 in the month of January.

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 in the month of January.

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

The Company continues to grow its number of patients as the overall Florida market increases in terms of registered patients and as the Company expands its footprint in the state. The Florida market has also reacted positively to Liberty's whole flower products and continues to assist to expand Liberty's customer base.

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 in the month of January.

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

The Company continues to add personnel in the areas of patient care and processing in the Florida operations and dispensaries with the expected opening of additional dispensaries over the next 30-60 days.

There were no significant terminations or lay-offs in the month of January.

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

None to report in the month of January.

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 in the month of January.

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

None to report in the month of January.

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

1,064,000 options were granted on January 4, 2021 to employees of the Company and directors. These options have an exercise price of \$1.07 and will expire on January 3, 2026. Reference Form 11 issued on January 4, 2021 for additional information.

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

None to report in the month of January.

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

None to report in the month of January.

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

On January 21, 2021, Florida Senator Tina Polsky (D-29) and Florida Representative Nicholas Duran (D-112) filed legislation that would require that public employees who are qualified medical marijuana patients to be treated like prescribed users of any other medication. The proposed legislation also calls for exemption from termination and other adverse actions solely because of their medical marijuana use. This legislation, SB 692 and HB 335, comes following the suspension of a Central Florida high school dean and former U.S. Marine who suffers from PTSD by the Marion County school district after testing positive for marijuana.

It was reported on January 22, 2021 that a bipartisan movement to legalize responsible marijuana use for adults 21 and older in Florida is underway. State Rep. Carlos Guillermo Smith, a Democrat, is sponsoring the bill in the Florida House of Representatives. His co-sponsor in the Senate is Senator Jeff Brandes, a Republican. Their proposed bills also allow for small businesses to enter the marijuana marketplace. "Right now in the medical cannabis industry we really have monopolies from a lot of the big players because state law requires them to really produce it from seed to sale. They have to be the grower cultivator distributor and retailer our bill actually allows multiple license categories so smaller businesses can enter the cannabis market and they can be retailers only who import the product from other licensed growers," Guillermo Smith said.

On January 25, 2021, it was reported that U.S. Rep. Greg Steube (R-FL) introduced the Marijuana 1-to-3 Act to move cannabis from Schedule I to Schedule III of the Controlled Substances Act. Although rescheduling would lift the burden of tax code 280E and make cannabis research easier, the move would not end federal prohibition entirely.

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. To the best of the undersigned's knowledge and belief, 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, to the best of the undersigned's knowledge and belief, the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
4. To the best of the undersigned's knowledge and belief, all of the information in this Form 7 Monthly Progress Report is true.

Dated February 5, 2021.

Sheri Cholodofsky
Name of Director or Senior Officer

"Sheri Cholodofsky"
Signature

CFO
Official Capacity

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| Issuer Details Name of Issuer Liberty Health Sciences Inc. | For Month End January 31, 2021 | Date of Report YY/MM/DD 21/02/05 |
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