

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Hempsana Holdings Ltd. (the "Issuer").

Trading Symbol: HMPS

Number of Outstanding Listed Securities: 24,129,323

Date: July 31, 2021

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 is a Canadian cannabis company specializing in cannabis derivatives with focus on Extraction & Purification and End-Product Manufacturing. It sells various cannabis derivatives, including distillates and isolates, through cannabis wholesale channel in Canada, specifically by selling cannabis

derivatives in bulk to licensed producers and through provincial distribution channels.

During the month of July 2021, management continued to support the Issuer's business activities with a focus on developing supplier and customer relationships.

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

On July 21, 2021, the Issuer announced by way of news release that it had signed a processing agreement with New Leaf Canada Inc. ("New Leaf") to process 2,000kg of hemp to produce full spectrum CBD crude for revenue of up to CAD \$200,000.

July 19, 2021 the Issuer announced by way of news release that it had signed a processing agreement with Lune Rise Farms Inc. to process 409kg of cannabis for full spectrum THC distillate for revenue of up to CAD \$200,000.

July 15, 2021, the Issuer's common shares commenced trading on The Canadian Securities Exchange ("CSE").

July 13, 2021, the Issuer completed its previously announced business combination that resulted in a reverse take-over of Stralak Resources Inc. (the "RTO Transaction") by the securityholders of Hemsana Inc.

The above news releases can be viewed under the Issuer's profile on SEDAR (www.sedar.com) and on the Issuer's Disclosure Page on the Canadian Securities Exchange's website.

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 during the month of July 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.

None to report during the month of July 2021.

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.

Please see Item 2 regarding the Issuer's activities.

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 during the month of July 2021.

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 during the month of July 2021.

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

Please see Item 2 regarding the Issuer's activities.

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 during the month of July 2021.

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

None to report during the month of July 2021.

11. Report on any labour disputes and resolutions of those disputes if applicable.
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None to report during the month of July 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.

None to report during the month of July 2021.

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

During July, the Issuer paid \$18,908 in combined interest and principal on the \$850,000 private loan described below in item 15.

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

Security	Number Issued	Details of Issuance	Use of Proceeds⁽¹⁾
Units, comprised one Hemsana common share and one-half warrant.	296,000	Prior to becoming a reporting issuer, on July 9, 2021, Hemsana completed a private placement in which it issued 296,000 units for aggregate proceeds of \$310,800. Each unit is comprised of one Hemsana Share and one-half of one common share purchase warrant. The Units were sold at a price of \$1.05 per Unit. Each Warrant entitles the holder thereof to acquire one Hemsana Share at a price of \$1.50 until the date that is twenty-four months following the closing	The aggregate proceeds of \$310,800 will be used for general working capital purposes.

		date of the Hempsana Private Placement, subject to early acceleration.	
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(1) State aggregate proceeds and intended allocation of proceeds.

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

On October 18, 2019, the Hempsana entered into a private loan with a related party for \$850,000 which bears interest at the rate of 12% per annum, calculated monthly. The private loan matures on November 1, 2024 and can be repaid before maturity without penalty and is secured by the Company’s land and building.

The private loan is repayable in monthly instalments, with a combined principal and interest payment of \$18,908 per month.

More information can be found in the Issuer’s Listing Statement, SCHEDULE “C” - FINANCIAL STATEMENTS OF HEMPSANA INC.

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

Upon completing its RTO Transaction on July 13, 2021, the Issue appointed a new management team and Board of Directors:

Randy Ko – Director, President and Chief Executive Officer

Randy is an experienced entrepreneur, having successfully led three early-stage, high growth companies. He has over 20 years of management consulting experience with market leaders, including Deloitte, in various industries such as retail, financial, oil and gas, technology, and manufacturing.

David Chan, CPA, CA, CFA – Chief Financial Officer and Secretary

David has over 20 years’ experience in accounting and finance, and has been a principal factor in helping a number of companies grow and maximize stakeholder value. David also brings significant experience in helping companies grow through M&A. Previously, David was CFO at VersaPay Corp, a fintech software business.

Sohil Mana – Director and Chief Quality Officer

Sohil is the President of Eurofins Experchem Canada, a Health Canada and FDA approved Biopharmaceuticals Services and Laboratories & Testing company. Sohil was instrumental in setting up the cannabis division for Eurofins and has helped accelerate the ACMPR license approval for more than 130 companies in Canada. With over 30 years of experience, Sohil is experienced in medical and product testing within the pharmaceutical industry.

Douglas Sommerville – Director

Douglas is a globally experienced executive, most recently, as the CEO of Medivolve Inc., a publicly traded medical technology and strategic initiative company. Douglas was Country Head and Global SVP of Teva Canada, for which he was known for his record of delivering profitability through rapid sales growth, strategic business development and acquisition, new product selection and introduction, and disciplined financial management. Douglas is the CEO of PlantExt Ltd., a pharmaceutical and healthcare company, and is well respected in the pharmaceutical industry by both customers and colleagues.

Hyong-Gue Michael Bang – Director

Michael is an accomplished equity research professional with over 18 years of experience at leading global investment banks including Goldman Sachs, Macquarie Securities, ING Financial Markets, and Nomura International. He currently serves as the Chief Investment Officer of Calyx Peak Inc. and is actively involved in raising capital for cannabis-related investments.

The Resulting Issuer's Audit Committee is currently comprised of three directors, Douglas Sommerville (chair), Hyong-gue Michael Bang and Randy Ko. Two of the members of the Audit Committee are independent and all are financially literate as required by NI 52-110.

17. 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 Item 17, Risk Factors, of the Issuer's Form 2A – Listing Statement dated July 12, 2021.

Certificate Of Compliance

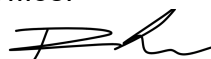
The undersigned hereby certifies that:

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 August 5, 2021

Randy Ko

Name of Director or Senior
Officer



Signature

CEO

Official Capacity

Issuer Details		For Month	Date of Report
Name of Issuer		End:	YY/MM/D
<u>Hempsana Holdings Ltd.</u>		July 2021	21/08/05
Issuer Address			
Suite 6060, 3080 Yonge Street,			
City/Province/Postal Code		Issuer Fax No.	Issuer Telephone No.
Toronto, Ontario, M4N 3N1		()	(416) 454-1954
Contact Name		Contact Position:	Contact Telephone No.
David Chan		CFO	(416) 998-7872
Contact Email Address		Web Site Address	
david@hempsana.ca		www.hempsana.ca	