FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Canada House Wellness Group Inc.

Trading Symbol: CHV Number of Outstanding Listed Securities: 683,653,630

Date: July 8, 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 June 1, 2021, Canada House Wellness Group Inc. (the “Company”) announced that its wholly owned subsidiary, Abba Medix Corp. (“Abba”) completed shipment of its first order of adult-use dried flower products to third-party distributor, National Cannabis Distributor (‘NCD”) for sale in Saskatchewan, the fifth province in which Abba’s products are now available to recreational consumers.**

**Abba initially offered 15-gram dried flower and 0.5 gram pre-rolled formats including internally cultivated Purple Bud and Critical Orange Punch genetics to Saskatchewan consumers and expects to receive additional purchase orders in the near future to bring additional products to NCD serviced licensed retailers in Saskatchewan.**

**On June 7, 2021, the Company entered into a product acquisition agreement with Groupe Fuga Inc. (“Fuga”). Under the terms of the agreement, Abba will distribute Fuga’s first product: Tropicanna Cookies, a strain with unique properties crafted in accordance with industry’s high standards to its medical patient base and through its existing recreational sales channels.**

**Fuga is a medical and recreational cannabis grower located in Stoneham, Quebec that has set out to handcraft superior quality cannabis and has succeeded by adhering to the human approach.**

**On June 7, 2021, the Company announced it has changed its registered office to 551 Rue Saint-Marc, Louiseville, Quebec, J5V 2L4, Canada.**

**On June 14, 2021, the Company announced that Abba entered into an exclusive agreement with Montreal Cannabis Medical Inc. (“MTL Cannabis”) for Abba’s distribution of MTL Cannabis’ high grade dried flower to Abba’s medical patient base (the “Exclusivity Agreement”). Under the terms of the Exclusivity Agreement, MTL Cannabis has partnered with Abba to be the exclusive distributor of certain varieties of cannabis material produced by MTL Cannabis and destined for sale of distribution to medical patients in Canada. The variety of strains that will be supplied to support medical patients include: MTL Cannabis’ signature strain Sage n’ Sour, as well as Cookies N’ Cream and Candyland, along with up to six more future genetics. Dried flower format of these strains will initially be offered through Abba’s medical brand, with a long-term plan to develop an “MTL Medical” branded line of medical product offerings.**

**MTL has decades of experience in cultivation from working for patients under Marihuana Medical Access Regulations (MMAR) and Marihuana for Medical Purposes Regulations (MMPR) before developing a wholesale and consumer business over past few years.**

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

# See responses to questions #1 and 10.

1. 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 responses to questions #1

1. 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 discontinued

1. 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 responses to questions #1

1. 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.

# No expired or terminated contracts or agreements.

1. 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.

# The Company’s wholly-owned subsidiary, CHC, received a $700 credit for leasehold improvements, had $3,350 of additions to leasehold improvements on its Edmonton office.

**The Company’s wholly-owned subsidiary, IsoCanMed, had $10,000 of additions to the manufacturing equipment and supplies.**

**The Company’s wholly-owned subsidiary, Abba, had $5,800 of additions to Computer equipment, and $1,500 of additions to the security equipment.**

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

# Abba Medix medical patients increased by 8% during the month.

1. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trademarks.

# N/A

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

# Two new hires at Abba; One new hire at CHC; Three new hires at IsoCanMed

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

# N/A

1. 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.

# No new legal proceedings during the month.

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

# N/A

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

# N/A

|  |  |  |  |
| --- | --- | --- | --- |
| **Security** | **Number Issued/ (returned to treasury)** | **Details of Issuance** | **Use of Proceeds(1)** |
|  |  |  |  |
|  |  |  |  |

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

|  |  |  |  |
| --- | --- | --- | --- |
| **Nature of loan** | **Receivable** | **Payable** | **Status** |
| **Shareholders or shareholders in common****Non-interest bearing, unsecured, and have no specific terms of repayment.** | **-** | **$72,922** |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Shareholders or shareholders in common****Interest is payable annually at a rate of five percent (5%) per annum. The notes are secured by a General Security Agreement over the assets of ICM.** | **-** | **$12,500,000** | **Promissory notes were issued upon closing of the acquisition of the shares of ICM by Canada House on June 12, 2020.** |

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

# None

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

# Canada House regularly examines and adjusts its strategy as it pursues a path to profitability, in response to market conditions and new opportunities.

**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: July 8, 2021

Peili Miao Name of Director or Senior Officer

*Signed Peili Miao*

Signature

Interim Chief Financial Officer Official Capacity

|  |  |  |
| --- | --- | --- |
| ***Issuer Details*** | For Month | Date of Report |
| Name of Issuer |  Ending |  |
| Canada House Wellness Group Inc. | June 30, | July 8, 2021 |
|  |  2021 |  |
| Issuer Address 1773 Bayly Street |
| City/Province/Postal Code | Issuer Fax No. | Issuer Telephone No. |
| Pickering, ON L1W 2Y7 | (905) 492-8420 | (844) 696-3349 |
| Contact Name Peil Miao | Contact Position Interim CFO | Contact Telephone No. (647) 688-6066 |
| Contact Email Address peili.miao@canadahouse.ca | Web Site Address [www.canadahouse.ca](http://www.canadahouse.ca/) |