

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: LEO RESOURCES INC. (the "Company").

Trading Symbol: LEO

Number of Outstanding Listed Securities: 30,838,916

Date: August 2, 2018

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.

On July 4th, 2018, the Company has entered into an amendment agreement dated July 3, 2018, to the amalgamation agreement dated July 5, 2017, pursuant to which the company will acquire all of the issued and

outstanding securities of Green Life Clinics Ltd. (GLC). For further details, see the section 5 dated June 4th, 2018.

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

None.

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.

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.

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.

On July 4th, 2018, the Company has entered into an amendment agreement dated July 3, 2018, to the amalgamation agreement dated July 5, 2017, pursuant to which the company will acquire all of the issued and outstanding securities of Green Life Clinics Ltd. (GLC).

Pursuant to the amendment agreement, GLC has completed certain capital adjustments to its existing share structure, resulting in the reduction of the number of shares currently issued and outstanding to 18.6 million shares, of which there are four million Class A shares outstanding, 9.6 million Class B shares outstanding and, following the acquisition of Patient Access Pavilions Ltd. (PAP), as discussed below, five million Class C shares outstanding. The Class B shareholders have also contributed \$2-million in cash to GLC, with the result that GLC, following the acquisition of PAP, has an approximate working capital of \$2.2-million, which will be acquired by the company in addition to its existing working capital.

The company will complete a three-corner amalgamation with GLC and a wholly owned subsidiary of the company. Under the amalgamation, the shareholders of GLC will receive one common share of Leo for each GLC

share held, resulting in the aggregate issuance of 18.6 million Leo common shares. Under the amendment agreement, the holders of the Class B shares in the capital of GLC will no longer receive any cash consideration in the amalgamation. Leo previously paid to GLC \$3,225,000 in cash, which funds were used by GLC to repay shareholder loans incurred in relation the GLC's acquisition of MCRCI Medicinal Cannabis Resource Centre Inc. and to complete the acquisition of PAP (as previously announced on May 9, 2017, and May 16, 2017).

The company is also pleased to advise that GLC has, as noted above, completed the acquisition of PAP, paying the remainder \$1.0-million cash due (for aggregate cash consideration of \$2.0-million) and issuing five million Class C shares, which shares will on the amalgamation be exchanged for common shares of Leo on the basis of one Leo share for each Class C share held.

The company anticipates the completion of the amalgamation in July following the completion of the final review of its proposed listing statement by the Canadian Securities Exchange. In connection with the amalgamation, the company expects to change its name to Global Health Clinics Ltd. and its symbol to MJRX.

Trading in the common shares of the company is expected to remain halted pending satisfaction of applicable requirements of the CSE. There can be no assurance that trading in the common shares of the company will resume prior to completion of the amalgamation.

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.

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.

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

Not applicable.

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.

Not applicable.

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

None.

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

Not applicable.

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.

There are no legal proceedings.

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

None.

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

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
-	-	-	-

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

None.

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

Not applicable.

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

There are no trends specific to the Company at this time.

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 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 2, 2018

Name of Director or Senior Officer

Usama Chaudhry

"Usama Chaudhry"

Director

Issuer Details Name of Issuer LEO RESOURCES INC.	For Month End July, 2018	Date of Report YY/MM/DD 18/08/02
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City/Province/Postal Code Vancouver, BC V6E 3T5	Issuer Fax No. (888)241-5996	Issuer Telephone No. (604)283-1722
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