

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: **CHAMPIGNON BRANDS INC.** (the "Issuer" or the "Company").

Trading Symbol: **SHRM**

Number of Outstanding Listed Securities: **177,290,212 Common Shares**

Date **April 5, 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 medical solutions company that aims to reduce the illness burden of brain-based mental disorders (e.g. major depressive disorder). Its operations are primarily focused on (i) owning and operating multidisciplinary clinics providing treatment for mental health disorders and (ii) research activities related to discovering and commercializing novel drugs and delivery methods. Champignon develops ketamine and psilocybin derivatives and other psychedelic products from the Company's IP development platform.**

**The Issuer, through its wholly-owned subsidiary, the Canadian Rapid Treatment Center of Excellence Inc. ("CRTCE"), operates multidisciplinary community-based clinics offering rapid-onset treatments for depression located in Mississauga, Toronto and Ottawa, Ontario (collectively, the "CRTCE Clinics")**

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

**On March 11, 2021, the Company filed (or refiled, as applicable) interim financial statements and management's discussion & analysis for the interim periods ending March 31, 2020, June 30, 2020, and September 30, 2020, respectively, as previously announced by the Company (see news release of March 11, 2021.**

**On March 15, 2021, the Company filed a Notice of Change in Corporate Structure pursuant to Part 4 of National Instrument 51-102 - Continuous Disclosure Obligations and on March 22, 2021 the Company filed interim financial statements and management's discussion & analysis for the period ended December 31, 2020.**

**On March 26, 2021, the Company announced that it had filed a new Listing Statement with the Canadian Securities Exchange which contains disclosure regarding the acquisition of AltMed Capital Corp. ("AltMed") (the "Transaction"). The Transaction constituted a reverse takeover of Champignon by AltMed.**

**The Company also announced on March 26, 2021 the filing of an application with the British Columbia Securities Commission and Ontario Securities Commission (the "Commissions") requesting that the Commissions revoke their cease trade orders against the Company. The Company's Common Shares were cease traded by the Commissions for (i) content deficiency in the Company's material change report dated April 30,**

**2020, and (ii) failure to provide periodic financial disclosure for the interim period ended June 30, 2020.**

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.

**No new products or services were offered or developed in the preceding month.**

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.

**No new products or services were discontinued in the preceding month.**

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.**

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 trademarks.

**None.**

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.

**There were no labour disputes affecting the Issuer.**

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.

**The Issuer is not a party to any 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.

**None.**

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

**The Issuer does not have any loans to or by Related Persons.**

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

**None.**

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

**As a result of the COVID-19 novel coronavirus, including quarantine initiatives of the federal and provincial governments and trade and travel restrictions, the Company has experienced some delays to its planned retail initiatives. The following activities are suspended by the Company but expected to resume as soon as practicable once applicable restrictions are lifted (unless otherwise disclosed below):**

- **Placement of products at wellness centers and with brick and mortar retail locations.**
- **Construction of the pop-up shop.**

- The Company was in the process of booking trade shows, conferences, farmers markets and special events but all have been cancelled or are expected to be delayed indefinitely.
- Consumer product testing and focus groups (the Company is contemplating remote testing and online focus groups as an alternative).
- Conversion of two new recipes developed by DRIP Coffee Social into consumer products.
- Hiring of business development managers and social media influencers has not commenced as the Company expects a surplus of available candidates (as early as late fall 2020).
- Disruptions to commencement of cultivation and R&D activities or mushrooms at Kelowna facility. Risk of potential loss of spores planned to be grown for premium tea line.

To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity in Canada, the United States, Europe and China. The outbreak has caused companies and various international jurisdictions to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend to countries outside of those currently impacted. The Company is actively assessing and responding where possible to the potential impact of the COVID-19 pandemic. As at the date of this report, the CRTCE Clinics are still operational but at a reduced capacity as a result of the COVID-19 outbreak and there is no assurance as to when it will be able to operate at full capacity, our retail distribution expansion initiatives have been postponed indefinitely. Such public health crises can result in volatility and disruptions in the supply and demand for health and wellness products, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk and inflation. The risks to the Company of such public health crises also include risks to employee health and safety, a slowdown or temporary suspension of operations impacted by an outbreak, increased labour and fuel costs, regulatory changes, political or economic instabilities or civil unrest. At this point, the extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition.

## 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 April 6, 2021

**Peter Rizakos**

***“Peter Rizakos”***

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Signature

**General Counsel**

Official Capacity

20222022 <b>Issuer Details</b> Name of Issuer <b>CHAMPIGNON BRANDS INC.</b>	For Month End <b>March 2021</b>	Date of Report YY/MM/DD <b>21/04/06</b>
Issuer Address <b>1430 Hurontario Street</b>		
City/Province/Postal Code <b>Mississauga, Ontario L5G 3H4</b>	Issuer Fax No. <b>n/a</b>	Issuer Telephone No. <b>1 (416) 762-2138</b>
Contact Name <b>Peter Rizakos</b>	Contact Position <b>General Counsel</b>	Contact Telephone No. <b>(647) 204-3083</b>
Contact Email Address <a href="mailto:info@championbrands.com">info@championbrands.com</a>	Web Site Address <a href="http://www.Championbrands.com">www.Championbrands.com</a>	