

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Medcolcanna Organics Inc. (the "Issuer", "Medcolcanna" or the "Company").

Trading Symbol: MCCN

Number of Outstanding Listed Securities: 168,002,343

Date: May 5, 2022

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.**

Medcolcanna Organics Inc. is a leading Canadian medicinal cannabis producer with operations primarily in Colombia. Medcolcanna continues to execute its strategy of producing and distributing high quality cannabis and cannabis derived products.

The Company, and its management team, has focussed its recent efforts on securing new financing, finding new customers, and maintain and expanding its operations in the global cannabis market. The Company continues to seek, and invest in, strategic relationships to maintain the Company's competitive advantage of being a low-cost cannabis producer.

On April 1, 2022 the Colombian Government issued Resolution 539 which provides final approval of the technical guidelines necessary for the export of medicinal cannabis flower from Colombia. This will enable Medcolcanna to begin exporting dried cannabis flower internationally to various countries where it is legal to do so and will provide Medcolcanna with a new avenue to generate revenue and growth for the Company.

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

Refer to item 1 above.

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.

Not Applicable.

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.

Not Applicable.

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.

Not Applicable.

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.

Not Applicable.

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.**

Not Applicable.

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.**

Not Applicable.

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.**

As described in the Company's most recently issued financial statements, for the nine months ended September 30, 2021, certain vendors and former employees of the Company filed legal claims, in Colombia, against Medcolcanna SAS for payment of outstanding invoices and salary owed to them. The total value of these claims amounts to \$19,506 CAD.

Medcolcanna continues to evaluate the lawsuits and intends to settle the amounts claimed where appropriate and feasible for the betterment of the Company. The claims against the Company could result in further interest and

damages awarded to the vendors and former employees, which would result in an increased amount owed by the Company. At this time, it is not determinable if additional interest and damages will be awarded, or, if awarded, the amount of interest and damages that Medcolcanna would have to pay.

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

Not Applicable.

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

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Not applicable			

(1) State aggregate proceeds and intended allocation of proceeds.

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

During the year 2020, the Company issued convertible debentures as part of a financing arrangements. These debentures mature two years from the issuance date and bear interest at rate of 14% per annum, with interest payable on a semi-annual basis. As at April 30, 2022, the Company owes \$10,000, for the principal portion of the convertible debenture, to the Chairman of the Board for his participation in the convertible debenture financing. The Chairman's debentures mature on August 28, 2022. Additionally, the Company owes \$183,500, for the principal portion of the convertible debenture, to a company affiliated with the CFO of the Company, for its participation in the convertible debenture financing. The debentures issued to company mature December 23, 2022.

During the year 2021, the Company entered into bridge loan agreements with the CEO and CFO of the Company. Per the terms of the agreement, the CEO and CFO provided a combined total of \$1,275,000 for a two-year term at an annual interest rate of 7.85%, with interest payable quarterly. Principal payments on the bridge loan are deferred until fifteen months after the commencement of each bridge loan, unless certain financing events or positive cash flow milestones are achieved by the Company wherein repayment of the bridge loan would be accelerated. As at April 30, 2022, the entire amount of \$1,275,000 remains outstanding to the officers of the Company.

Additionally, the Company owes a further \$38,500 on advances received from the CFO of the Company. These advances are interest free and payable on demand.

- 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.**

Not Applicable.

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 May 5, 2022.

Chris Reid
Name of Director or Senior
Officer

"Chris Reid"
Signature
Chief Financial Officer
Official Capacity

Issuer Details	For Month End	Date of Report
Name of Issuer		YY/MM/D
Medcolcanna Organics Inc.	April 2022	2022/05/05
Issuer Address		
1620, 444 5 th Avenue SW		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Calgary/Alberta/T2P 2T8	()	(+571) 641 9113
Contact Name	Contact Position	Contact Telephone No.
Chris Reid	CFO	(+571) 641 9113
Contact Email Address	Web Site Address	
info@medcolcanna.com	www.medcolcanna.com	