

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: GABY Inc. (the “Issuer”, “GABY”, or the “Company”).

Trading Symbol: GABY

Number of Outstanding Listed Securities: 659,574,756

Date: August 9, 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.

GABY Inc. is a California-focused retailer with its own proprietary brands in the market. GABY has relationships with over 500 retailers in the mainstream sales channel, and over 200 in the licensed channel, bridging the gap between the licensed dispensary and mainstream markets. A pioneer in the industry with a multi-vertical retail foundation, GABY owns a significant majority of its supply channels, including manufacturing, distribution, and retail. GABY is an employee-owned company, with 100% of full-time employees owning shares in the Company.

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

GABY's management continued sales and marketing efforts applicable to its products.

On July 6, 2021, GABY announced the appointment of Loreto Grimaldi to the board of directors of GABY. Loreto is a business executive and lawyer, admitted to practice in New York and Ontario. In addition to his extensive legal experience in corporate and regulatory law focusing on mergers and acquisitions, Mr. Grimaldi has significant operational and board experience across a number of diverse regulated industries in Canada and the U.S. (including California) for growth companies at the top of their respective industries. Over a 25+ year career Mr. Grimaldi has held senior positions as COO, EVP, SVP and General Counsel and has led Legal, Operational, Insurance, Regulatory and Human Resources functions in these organizations. Currently, Loreto is the Chief Operating and Legal Officer for Tricor Automotive Group Inc., a distributed finance and insurance services company with operations in Canada and the US, owned by auto dealership groups in Canada representing over 240 franchised dealerships with annual sales of over \$4 billion. Mr. Grimaldi has extensive governance experience derived from several Board of Directors engagements with a number of public and private companies, including direct and recent cannabis board experience on the Board of Aleafia Health Inc. (TSX: AH), a Canadian cannabis company operating medical clinics and production facilities for the production and sale of cannabis in Canada and internationally. His responsibilities on the Aleafia Board have included Chair of the Human Resources and Compensation Committee, Chair of the Strategic Review Committee and Member of the Governance Committee. Loreto has served as adjunct professor of Business Administration and the Law at the Schulich School of Business (York University) for over 15 years, and has also held teaching roles at Osgoode Hall Law School in Toronto. He is the recipient of a number of business and legal awards including an Innovation Award in 2016

from Thompson Reuters as Innovative Dealmaker of the Year. Mr. Grimaldi will chair GABY's Nominating and Governance Committee and will serve as a member of the Human Resources and Compensation Committee.

On July 27, 2021, GABY announced the addition of Marshall Minor as Chief Financial Officer (CFO) of GABY. Mr. Minor brings an extensive resume to GABY's executive team. Most recently, Marshall was CFO of Shryne Group – a multi-state operator in the cannabis industry with operations in California, Michigan, Washington and Nevada, with a combined 10 operating dispensaries and revenues in excess of \$100 million. Prior to Shryne Group, Mr. Minor was the CFO of Solace Holdings/Aether Gardens, a private equity backed cannabis company focused on production and extraction. Further to Marshall's strong cannabis knowledge, he brings senior executive experience as a CFO of a billion-dollar real estate development company, Vice President of Corporate Finance and M&A for MGM Resorts in Las Vegas and extensive capital markets and investment banking experience with bulge bracket firms in New York and regional firms in California.

GABY continues to realize synergies from its merger with Mankind and will be consolidating its distribution and manufacturing facilities from a segmented multi-city effort into a single streamlined operation based out of its headquarters of San Diego. To facilitate this change, GABY will be closing its Sonoma Pacific Distribution location in Santa Rosa and will transition all pertinent operations to Wild West Industries. This move will allow Mankind to better serve its customers by decreasing time-to-shelf of products, improving availability of proprietary products, and ensuring a single point of quality assurance, all while furthering the Company's commitment to sustainability through the decrease of transportation emissions. The Company is also pleased to confirm that in keeping with its policy of ensuring that all full-time employees of GABY or its subsidiaries are aligned with GABY's shareholders, it has issued an aggregate of 16,200,000 Restricted Share Units (each an "RSU") to 102 employees pursuant to the terms of its Restricted Share Unit Plan. Further, the Company has issued an aggregate of 940,000 common shares in the capital of the Company ("Common Shares") to employees with vested RSU's and 1,465,667 Common Shares to three consultants who elected pursuant to their consulting agreements to receive compensation in Common Shares instead of cash.

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.

See #2 above.

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.

N/A

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.

N/A

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.

N/A

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.

N/A

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

N/A

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.

See #2 above.

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

N/A

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

N/A

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.

N/A

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

N/A

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

See #2 above.

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

N/A

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

See #2 above.

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

N/A

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 was no new material information concerning the Issuer which had 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 9, 2021

Leanne E. Likness, Corporate Secretary

“Leanne E. Likness”

<i>Issuer Details</i>	For Month End	Date of Report
GABY Inc.	August 2021	August 9, 2021
Issuer Address		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
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