

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Gabriella's Kitchen Inc. (the "Issuer" or "GABY").

Trading Symbol: GABY

Number of Outstanding Listed Securities: **90,480,783**

Date: January 7, 2019

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.

No material developments in GABY's business and operations occurred over the previous month.

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

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

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 developed or offered in December 2018.

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 products or services were discontinued in the month of December 2018.

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.

No new business relationships were entered into in the month of December 2018.

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.

No expiry or termination of contracts occurred in the month of December 2018.

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.

No acquisitions or dispositions occurred during the month of December 2018.

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.

N/A

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.

No labour disputes occurred during the month of December 2018.

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.

No indebtedness was incurred by GABY in the month of December 2018.

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

On December 31, 2018, GABY issued a total of 634,084 units of the Company (“Units”) to certain security holders in order to rectify an issuance shortfall. Of these Units, 115,084 should have been issued on April 23, 2018, in connection with the issuance of Units in the capital stock of GABY on excess funds received by GABY of \$32,879.50 and 518,950 should have been issued on June 13, 2018 in connection with the issuance of Units in the capital stock of GABY on the conversion of amounts owed to a related party of \$148,264.

Each Unit was comprised of 1 Class “A” common share of the Company (“Common Shares”) and 1 common share purchase warrant of the Company (“Warrants”). Therefore a total of 634,034 Common Shares and a total of 634,034 Warrants were issued, comprising the Units. These Units were issued on the exact same terms as those issued on April 23, 2018 and June 13, 2018.

- Units were priced at \$0.2857 per Unit for a total consideration of \$181,143.50.
- Balance of issued Common Shares following this issuance: 90,480,783.
- Balance of issued Warrants following this issuance: 42,234,073.

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

No loans were provided to or by Related Persons in the month of December 2018. Pursuant to the issuance of 518,950 Units as described above in # 14 above, an amount due to a related party of \$148,264 was converted to 518.950 Units of GABY.

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

No changes in directors, officers or committee members occurred in December 2018.

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

On October 17, 2018, the cannabis industry became legal in Canada.

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 January 7, 2019

Leanne E. Likness, Corporate Secretary

“Leanne E. Likness”

<i>Issuer Details</i> Gabriella's Kitchen Inc.	For Month End December 2018	Date of Report January 7, 2019
Issuer Address		
City/Province/Postal Code 200, 209 - 8th Avenue SW, Calgary, Alberta T2P 1B8	Issuer Fax No. N/A	Issuer Telephone No. (800) 674-2239
Contact Name Margot Micallef	Contact Position Founder and CEO	Contact Telephone No. (800) 674-2239
Contact Email Address IR@gabriellas-kitchen.com	Web Site Address www.gabriellas-kitchen.com	