

## FORM 7

### MONTHLY PROGRESS REPORT

Name of CNSX Issuer: **NEW AGE FARM INC** (the "Issuer", "New Age Farm", we" or "our").

Trading Symbol:                     **NF**

Number of Outstanding Listed Securities:                                     **64,217,249**

Date:                     **July 7, 2016**

#### **Report on Business**

1. *Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month.*

#### **Washington State Properties**

The Issuer now has four tenant-grower leases in place, three on its Oroville, WA property and one on its Sumas, WA property. New Age Farm is working on the build out of facilities on both properties to accommodate these lessees and has completed its first build out at its Oroville, WA property to accommodate the first tenant-grower crop to be grown at this site. The tenant-grower (the "Tenant-Grower") has already planted its first crop

#### **About New Age Farm**

Through its wholly-owned subsidiary, NHS Industries Ltd. ("NHS"), New Age Farm owns a five and a half acre greenhouse facility in the lower mainland of BC with a 48,000 square foot greenhouse facility, capable of growing 2.4 million 4" potted plants annually. NHS is in the process of formulating innovative proposals for small scale agricultural facilities for exploring multiple avenues for cash flow processes. The facility is located minutes from three major Canada – USA border crossings and direct routes to the lower mainland west and to all points east and west along 16<sup>th</sup> Ave to Hwy 99 and to Hwy 1 make its location in South Langley an ideal hub. NHS intends to become a beta site for sustainable growing capabilities as well as minimizing all carbon footprints with regard to all its on-site operations. This facility will meet a growing demand in the Metro Vancouver and Fraser Valley areas to help smaller growers become more efficient, more productive, implement value added product lines, and reduce waste.

New Age Farm owns two properties in Washington State, one located in Sumas, WA, and the other in Oroville, WA where it intends to offer fully built out turnkey service operations to tenant-growers who will lease the facilities for production and processing. With four leases already in place, operations in Washington State began in spring 2016 when one of the lessees planted the first crop of marijuana at Oroville.

For further information regarding the Issuer please visit the CSE Disclosure Hall at [www.thecse.com](http://www.thecse.com), or view the Issuer's filings posted on SEDAR, [www.SEDAR.com](http://www.SEDAR.com).

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

In June, Management continued to move its business plan forward, continuing work at both its green campuses; a tenant-grower has planted crops at the Oroville site.

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.*

This does not apply to the Issuer.

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.*

This does not apply to the Issuer.

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.*

This does not apply to the Issuer.

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.*

This does not apply to the Issuer.

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.*

This does not apply to the Issuer.

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

There have not been any changes since the last monthly report.

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.*

There have not been any new developments since the Issuer's last monthly report.

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

This does not apply to the Issuer.

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

This does not apply to 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.*

This does not apply to the Issuer.

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

The Issuer has entered into the following loan agreements with certain creditors:

- i. A mortgage in favour of BlueShore Financial with a balance owing of \$657,345 as at December 31, 2015 is secured by a rental property owned by the Issuer and an assignment of rents.
- ii. The Issuer renegotiated its second mortgage on the Langley Property. Formerly, the principal amount of the Mortgage was \$400,000 and bore interest at the rate of 15% per year with a term of one year. The Issuer has entered into a new second mortgage in the amount of CAD\$700,000 from a private lender (the "Lender"). The principal amount of the Mortgage is \$700,000 and bears interest at the rate of 10% per year with a term of five years. Proceeds of the Mortgage will be used towards paying out the prior second mortgage of \$400,000 and the balance for general working capital purposes. The Issuer may pre-pay the Mortgage on payment of a three month interest penalty
- iii. A non-interest bearing secured convertible note in the amount of \$497,737 is due and payable to Carman Parente, CEO, of the Issuer to be matured on June 30, 2016. It is secured by the Issuer's current and future assets secondary to the mortgages noted

above under i and ii. This promissory note is convertible, the principal in whole or in part, into common shares of the Issuer at a deemed price of \$0.15 per share.

- iv. The Issuer has also entered into another non-interest bearing secured loan in the amount of \$500,000 which is due and payable on March 31, 2016, secured by current and future assets of the Issuer, and subordinated to the registered holder described above. A prepayment of \$170,000 was made during the year 2015 to an outside party on behalf of this loan holder and it is agreed that the prepayment amount is to be offset against the original loan amount upon maturity. The current balance due is \$330,000.

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

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

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

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

This does not apply to the Issuer.

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

In June 2016, the directors and officers of the Issuer were as follows:

- Mr. Carman Parente, Director, President & Chief Executive Officer
- Mr. Anthony Chan, Director, Chief Financial Officer
- Ms. Lorraine Pike, Director, Corporate Secretary

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 known 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 were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX 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 CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated July 7, 2016

**Carman Parente**  
Name of Director or Senior Officer

*/s/ Carman Parente*  
Signature

**Director and CEO**  
Official Capacity

<b>Issuer Details</b> Name of Issuer <b>NEW AGE FARM INC.</b>	For Month End <b>June 30, 2016</b>	Date of Report YY/MM/DD <b>2016/07/07</b>
Issuer Address <b>106-1641 Lonsdale Avenue</b>		
City/Province/Postal Code <b>North Vancouver, BC V7M 2J5</b>	Issuer Fax No. <b>n/a</b>	Issuer Telephone No. <b>( 604) 880-3144</b>
Contact Name <b>Mr. Carman Parente</b>	Contact Position <b>CEO</b>	Contact Telephone No. <b>(604) 880-3144</b>
Contact Email Address <a href="mailto:cparente@newagefarminc.com">cparente@newagefarminc.com</a>	Web Site Address <a href="http://www.newagefarminc.com">www.newagefarminc.com</a>	