

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: **Nextleaf Solutions Ltd. (the “Issuer”, the “Company”, “Nextleaf” or “OILS”)**

Trading Symbol: **OILS**

Number of Outstanding Listed Securities: **122,219,742**

Date: **March 2, 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.

**Nextleaf is the world's most innovative cannabis extractor, is pleased to announce that its wholly-owned subsidiary, Nextleaf Labs Ltd. ("Nextleaf Labs"), has received an amendment to its existing Cannabis Research**

**Licence from Health Canada to conduct controlled human administration trials for sensory evaluation of cannabis at its processing facility in Metro Vancouver. This licence permits Nextleaf Labs to conduct R&D involving the administration of cannabis to human subjects for the assessment of taste, sight, or smell, subject to conditions laid out by Health Canada.**

**On February 1, 2021, the Company announced that Nextleaf Labs had entered into a hemp processing agreement (see the Company's press release dated February 1, 2021).**

**On February 16, 2021, the Company announced that the Israeli Patent Office has granted the Company a patent for its foundational process for producing low-cost cannabis distillate, Nextleaf's fifth issued extraction patent in Israel. Nextleaf also announced that it had issued an aggregate of 383,428 common shares at a price of \$0.285 per share, representing an aggregate value of \$109,277, to consultants of the Company, as compensation for services provided and that it had issued an aggregate of 560,000 stock options to the non-executive employees, each option exercisable for five years at an exercise price of \$0.35 (see the Company's press release dated February 16, 2021).**

2. Provide a general overview and discussion of the activities of management.  
**See 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.  
**See item 1 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.  
**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.  
**See item 1 above.**
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.  
**See item 1 above.**
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 item 1 above.**
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.  
**Not applicable.**
13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.  
**See item 1 above.**
14. Provide details of any securities issued and options or warrants granted.  
**See item 1, above, for further details.**

Security	Number Issued	Details of Issuance	Use of Proceeds
Stock Options	560,000	Stock options to consultants	N/A
Common Shares	383,428	Compensation for consultants	N/A

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

**Not applicable.**

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.

**The trends and risks which are likely to impact the Issuer are detailed in the Issuer's Annual Financial Statements and Management Discussion and Analysis for the financial year ended September 30, 2020 under the heading "Risks and Uncertainties". The Financial Statements and Management Discussion and Analysis are available on the Issuer's SEDAR profile at [www.sedar.com](http://www.sedar.com) and on the Issuer's disclosure with the CSE at [www.thecse.com](http://www.thecse.com).**

## 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 March 2, 2021.

Paul Pedersen  
Name of Director or Senior  
Officer

"Paul Pedersen"  
Signature  
CEO  
Official Capacity

Name of Issuer: Nextleaf Solutions Ltd.	For Month End: February 2021	Date of Report: (YY/MM/DD) 21/03/02
Issuer Address: 68 Water Street, Suite 304		
City/Province/Postal Code: Vancouver, BC, V6B 1A4	Issuer Fax No.: (604) 357-1030	Issuer Telephone No.: (604) 283-2301
Contact Name: Paul Pedersen	Contact Position: CEO	Contact Telephone No.: (604) 283-2301
Contact Email Address: <a href="mailto:Paul@nextleafsolutions.com">Paul@nextleafsolutions.com</a>	Web Site Address: <a href="http://www.nextleafsolutions.com">www.nextleafsolutions.com</a>	