

## 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: **142,486,657**

Date: **May 4, 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.

**Nextleaf® is a federally regulated manufacturer and distributor of cannabis vapes and oils under its award-winning prohibition-era brand, Glacial Gold™. The Company’s multi-patented ingredient processing technology**

transforms cannabis and hemp biomass into high-purity distillate at an industrial scale. Nextleaf is a low-cost producer of cannabis oils, and supplier of THC and CBD ingredients to qualified wholesale partners across Canada. The Company has been issued 18 U.S. patents, and over 95 patents globally, on cannabinoid processing including extraction, distillation, and acetylation. Nextleaf develops cannabinoid-based formulations and delivery technology through its Health Canada Research Licence with sensory evaluation of cannabis via human testing.

On April 5, 2022, the Company announced that the United States Patent and Trademark Office granted the Company its 18th issued U.S. patent. The Company also announced a recent update to its leadership structure with the transition of Ryan Ko, Chief Technology Officer, from his executive officer role to serve as Nextleaf's Vice President of Innovation & Technology.

On April 20, 2022, the Company announced that it completed its initial shipment of Glacial Gold™ vapes and distilled oils to the Ontario Cannabis Store ("OCS"), and provided an update on its cannabis sales in British Columbia ("B.C."). The Company also announced that it had issued: an aggregate of 886,741 common shares at a deemed price of \$0.135 per share to scientific and technical consultants of the Company, as compensation for services provided; 70,000 stock options to non-executive employees of the Company to purchase up to 70,000 common shares of the Company pursuant to the Company's Stock Option Plan, exercisable at a price of \$0.175 per share; and 500,000 warrants to purchase common shares of the Company to the holder of the convertible note issued on March 31, 2021. The warrants were issued as consideration for revision of terms of the note and are exercisable at a price of \$0.162 per share for a period of 36 months from the date of issuance.

On April 28, 2022, the Company announced the launch of Glacial Gold™ softgels. The announcement of the new softgel product signifies the Company's expansion into the "Capsules" category. The Company also announced that Kevin Keagan was appointed as a director, the Chief Financial Officer and the Corporate Secretary of the Company, replacing Charles Ackerman, who resigned from those positions. Mr. Ackerman will continue to support the Company's finance department as well as serve as a key strategic advisor to senior management.

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.

**Not applicable.**

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
Common Shares	886,741	Issued to scientific and technical consultants for services provided	N/A
Stock Options	70,000	Issued to non-executive employees of the Company	N/A
Warrants	500,000	Issued as consideration for revision of terms of previously issued convertible note	N/A

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.

**See item 1 above.**

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 Information Form dated November 15, 2021 under the heading “Risk Factors”. The Annual Information Form is available on the Issuer’s SEDAR profile at [www.sedar.com](http://www.sedar.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 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 4, 2022.

Paul Pedersen  
Name of Director or Senior  
Officer

"Paul Pedersen"  
Signature  
CEO  
Official Capacity

Name of Issuer: Nextleaf Solutions Ltd.	For Month End: April 2022	Date of Report: (YY/MM/DD) 22/05/04
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>	