

FORM 7
Quadron Cannatech Corporation
MONTHLY PROGRESS REPORT
For the Month of April 2019

PRECAUTIONARY NOTE

All information presented herein is unaudited and prepared on the basis of preliminary information as available within four-trading days of the reporting date. Accordingly, this information may be subject to material adjustment on completion of any unaudited quarterly interim financial reports or the Company's annual audit. The information presented herein should be read in conjunction with the Company's interim consolidated unaudited condensed interim financial statements for the nine months ended January 31, 2019, and the audited consolidated financial statements for the year ended April 30, 2018 and the related "Management's Discussion and Analysis of Operations" ("MD&A").

Name of CNSX Issuer: **Quadron Cannatech Corporation** (the "Company", "Issuer" or "Quadron").

Trading Symbol: **QCC**

Number of Outstanding Listed Securities: **71,650,447 Common Shares**

Date: **May 3, 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 the CNSX 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 CNSX.ca 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 CNSX Policies. The discussion in this report must be factual, balanced and non-promotional.

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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.

Quadron operates through its three wholly owned subsidiaries, Soma Labs Scientific Inc. ("Soma Labs"), Greenmantle Products Limited ("Greenmantle"), and Cybernetic Control Systems Inc. ("Cybernetic"). Through its subsidiaries, Quadron delivers a variety of products and services structured to address the complex needs and requirements of cannabis industry participants in Canada, as well as a variety of other sectors. Quadron's principal focus is on the design and production of automated cannabis extraction and processing equipment (via Soma Labs). In addition, the Company distributes ancillary products, such as customized dispensing devices (i.e. vaporizer pens) along with a variety of packaging options (via Greenmantle). Quadron's subsidiary, Cybernetic, specializes in providing equipment automation services, control solutions and process manufacturing expertise to a variety of industry sectors.

2. 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.

None.

3. 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.

None.

4. 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

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relationship is with a Related Person of the Issuer and provide details of the relationship.

On April 16, 2019 World Class Extractions Inc. (“World Class”) and the Company announced that they entered into an arrangement agreement providing for the merger of the companies (“Agreement”). Pursuant to the Agreement, World Class has agreed to acquire, through a wholly-owned subsidiary, all of the issued and outstanding common shares of Quadron (collectively, the “Quadron Shares”) by way of a Statutory Plan of Arrangement (“Arrangement”). Pursuant to the terms of the Arrangement, shareholders of Quadron (the “Quadron Shareholders”) will receive two (the “Exchange Ratio”) common shares of World Class (each, a “World Class Share”), for every Quadron Share held. Upon completion of the Arrangement, it is expected that Quadron Shareholders will receive approximately 143,300,894 World Class Shares, representing approximately 24.1% of the total issued and outstanding World Class Shares on a post-Arrangement basis.

Upon completion of the Arrangement, the board of World Class will be reconstituted to comprise five directors, including two directors nominated by World Class, two directors nominated by Quadron and one independent director acceptable to both World Class and Quadron. With respect to the management team of World Class upon completion of the Arrangement, Rosy Mondin will serve as the Chief Executive Officer and Leo Chamberland will serve as President.

The Board of Directors of World Class, and the Board of Directors of Quadron have both unanimously approved the proposed Arrangement. Directors, management and certain key Quadron Shareholders representing over 23% of the issued and outstanding Quadron Shares have signed lockup agreements to vote their respective Quadron Shares in favor of the Arrangement.

The Arrangement will be implemented through a triangular amalgamation under the *Business Corporations Act* (British Columbia) in which a wholly-owned subsidiary of World Class will amalgamate with Quadron to become a wholly-owned subsidiary of World Class and Quadron Shareholders will receive World Class Shares based on the Exchange Ratio. Upon closing of the Arrangement: (i) all outstanding stock options of Quadron will be adjusted in accordance with the stock option plan of Quadron and will be exercisable for World Class Shares on the basis of the Exchange Ratio; and (ii) all unexercised Quadron Share purchase warrants will be adjusted in accordance with the terms of the warrant certificates governing such Quadron Share purchase warrants such that they shall be exercisable to purchase World Class Shares on the basis of the Exchange Ratio and will expire in accordance with their current expiry dates. The Agreement contains representations and warranties for the benefit of each of World Class and Quadron, conditions relating to shareholder, court and regulatory approvals, material adverse changes and compliance with the Agreement as are in each case customary in comparable transactions of this nature. Completion of the Arrangement is subject to a number of conditions being satisfied or waived by one or both of World Class and Quadron at or prior to closing of the Arrangement, including: approval of the Quadron Securityholders, together with any requisite minority approvals; and receipt of all necessary regulatory and court approvals and

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the satisfaction of certain other closing conditions customary for a transaction of this nature. The Agreement includes deal protection provisions that are customary in Canadian board-supported transactions on the part of both Quadron and World Class (subject to customary fiduciary out provisions). There is a mutual break fee commensurate with a transaction of this size being \$1,500,000.

5. 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.

None.

6. 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.

None.

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

None, other than in the regular course of business as described in Question 1.

8. 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.

None.

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

None.

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

None.

11. 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.

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There are currently no legal proceedings to which the Company is a party, nor is management aware of any such matters that are currently pending.

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

During the month of April 2019, other than as incurred in the course of normal operations, the Company has not incurred any additional indebtedness.

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

None.

Security	Number Issued	Details of Issuance/Grant	Use of Proceeds

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

During the month of April 2019, other than in the normal course of business, the Company did not become indebted to any Related Persons nor did it extend any loans to such parties.

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

None.

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

None.

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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 **May 3, 2019**.

Rosy Mondin
Name of Director or Senior Officer

[signed] **"Rosy Mondin"**

Signature

Director
Official Capacity

Issuer Details		For Month End	Date of Report
Name of Issuer Quadron Cannatech Corporation		April, 2019	YY/MM/DD 19/05/03
Issuer Address 1600 - 609 Granville Street			
City/Province/Postal Code Vancouver, BC, V7Y 1C3		Issuer Fax No. (866)824-8938	Issuer Telephone No. (778)331-4303
Contact Name Rosy Mondin		Contact Position Director	Contact Telephone No. (604)473-9569
Contact Email Address rosy@quadroncannatech.com		Web Site Address www.quadroncannatech.com	