

FORM 7
Quadron Cannatech Corporation
MONTHLY PROGRESS REPORT
For the Month of September 2018

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 unaudited condensed interim financial statements for the three months ended July 31, 2018, 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: **71,640,823 Common Shares**

Date: **October 5, 2018**

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.

None.

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.

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.

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During the month of August 2018, 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.

The following issuances occurred during the month of September 2018:

| Security | Number Issued | Details of Issuance/Grant | Use of Proceeds |
|---------------|---------------|---------------------------|-----------------|
| Common Shares | 14,000 | Warrant Exercise - \$0.20 | Working Capital |
| | | | |

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

During the month of September 2018, 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 **October 5, 2018**.

Doug McFaul
 Name of Director or Senior Officer
 [signed] **"Doug McFaul"**
 Signature
Director
 Official Capacity

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| Issuer Details Name of Issuer Quadron Cannatech Corporation | For Month End September, 2018 | Date of Report YY/MM/DD 18/10/05 |
| 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 Doug McFaul | Contact Position Director | Contact Telephone No. (778)331-4303 |
| Contact Email Address dmcfaul@emprisecapital.com | Web Site Address www.quadroncannatech.com | |