

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: TAAT Lifestyle & Wellness Ltd. (the "Issuer" or "TAAT").

Trading Symbol: TAAT

Number of Outstanding Listed Securities: 95,446,672

Date: April 7, 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.

During the month-ended March 2021, the Issuer's business and operations consisted of the development, marketing and planning of the launch of its Beyond Tobacco™ cigarettes.

On March 5, 2021, the Issuer announced that national consumer packaged goods ("CPG") sales agency CROSSMARK, Inc. ("CROSSMARK") began its early-stage initiatives to bring TAAT™ to new points of sale, starting in Ohio to build upon the Issuer's existing retail presence in that market. This commencement of CROSSMARK's initiatives coincides with the February 17, 2021 launch of the TAAT™ ecommerce portal, which

made TAAT™ Original, Smooth, and Menthol available to the majority of current smokers aged 21+ in the United States.

CROSSMARK began introducing all three varieties of TAAT™ to its accounts in Ohio including wholesalers and distributors of CPG and tobacco products, key retail accounts, and individual stores with whom CROSSMARK representatives have established business relationships. In Q2 2021, CROSSMARK will service over 7,000 convenience stores in the state of Ohio. Through a combination of rollouts led by CROSSMARK, continued in-house efforts conducted by TAAT™ personnel, and digital advertising campaigns designed to direct smokers aged 21+ to the TAAT™ online store, the Issuer anticipates that these initiatives could collectively contribute to achieving greater market penetration for TAAT™ in the USD \$814 billion global tobacco industry.

In addition to introducing products such as TAAT™ to potential new accounts and providing strategies to efficiently sell the product at retail, the Issuer has also engaged CROSSMARK to oversee the Order to Cash (“O2C”) process on its behalf. At a high level, O2C typically involves processing purchase orders and conveying the orders to wholesalers or distribution centres for fulfillment.

On March 26, 2021, the Issuer announced that using feedback collected from a recent consumer study about TAAT™, the Issuer began a new online advertisement campaign targeted towards smokers aged 21+ in the United States with an objective of prompting requests for a complimentary pack of TAAT™ Original, Smooth, or Menthol on the TryTAAT landing page (<http://trytaat.com>). As of March 26, 2021, more than 5,000 new qualified sample requests have been received by the Issuer from users in all eligible¹ U.S. states, with fulfillment of these requests set to begin during the week of March 29, 2021.

The Issuer’s current objective is to prompt a high trial rate of TAAT™ products both to cultivate large-scale awareness and to gather feedback from smokers aged 21+ in various markets. In a recent video segment, TAAT™ Chief Executive Officer Setti Coscarella explained the three main strategic considerations behind launching the e-commerce portal alongside the existing channels through which TAAT™ can be procured, one of which is the ability to gather market research data to prioritize prospective markets for potential retail expansions in the future.

Earlier in Q1 2021, the Issuer commissioned a consumer feedback study which included a sample of 176 smokers aged 21+ in Ohio who were each given a carton of TAAT™ to sample at home. On average, 57% of respondents stated they “Definitely Would” or “Probably Would” purchase TAAT™ in the future at its current price point, with 68% of subjects who sampled TAAT™ Menthol selecting such responses. The Issuer intends to continue availing packs of TAAT™ across the United States through various channels to passively grow awareness of the brand and gather insights from smokers aged 21+ which could provide useful metrics for the optimization of potential future launches in new markets.

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

During the month-ended March 2021, the Issuer’s principal activities consisted of general administrative and business management.

On March 23, 2021, the Issuer announced that OTC Markets Group Inc. (“OTCM”), operator of financial markets for 11,000 U.S. and global securities, has confirmed that the Issuer has officially been upgraded from the OTCQB® Venture Market (“OTCQB”) to the OTCQX® Best Market (“OTCQX”), the highest tier of OTCM’s markets.

The OTCQX market differs from the OTCQB market in that it is intended for established firms, as opposed to early-stage firms. Issuers on the OTCQX market are held to more stringent reporting and disclosure standards, and require a professional third-party sponsor introduction. The OTCM regulations specifically exclude penny stocks, shells, and companies in bankruptcy from the OTCQX market.

The Issuer has also engaged professional advisory firms to prepare for a potential future application to list its common shares on the NASDAQ market.

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.

Not applicable.

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.

On March 5, 2021, TAAT announced that it has engaged Bay Street Communications to provide investor relations services for the Issuer. In connection with the engagement, the Issuer has entered into an Investor Relations Services Agreement with Bay Street Communications, pursuant to which it will primarily be tasked with providing the following services:

Development of a strategic investor relations plan, creation of digital media (including a new investor relations website, updated presentations, and social media content), outreach to analysts/financial media/investors, managing inbound inquiries from investors.

The services agreement has a six-month minimum term with a per-month payment value of CAD \$7,000.

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.

Not applicable.

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.

Not applicable.

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.

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Common Shares	100,000	Option Exercise	Commercialization of the Issuer's flagship product
Common Shares	609,572	Warrant Exercise	

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

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.

COVID-19 - The outbreak of the coronavirus ("COVID-19") pandemic has impacted the Issuer's plans and activities. The Issuer may face disruption to operations, supply chain delays, travel and trade restrictions and impact on economic activity in affected countries or regions can be expected and can be difficult to quantify. Such pandemics or diseases represent a serious threat to maintaining a skilled workforce industry and could be a major health-care challenge for the Issuer. There can be no assurance that the Issuer's personnel will not be impacted by these pandemic diseases and ultimately that the Issuer would see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks. In addition, the COVID-19 pandemic has created a dramatic slowdown in the global economy. The duration of the COVID-19 outbreak and the resultant travel restrictions, social distancing, Government response actions, business closures and business disruptions, can all have an impact on the Issuer's operations and access to capital. There can be no assurance that the Issuer will not be impacted by adverse consequences that may be brought about by the COVID-19 pandemic on global financial markets may reduce resource prices, share prices and financial liquidity and thereby that may severely limit the financing capital available.

[The balance of this page is left intentionally blank.]

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 April 7, 2021.

Setti Coscarella
Name of Director or Senior Officer

"Setti Coscarella"
Signature

CEO and Director
Official Capacity

Issuer Details		For Month End	Date of Report
Name of Issuer			YY/MM/D
TAAT Lifestyle & Wellness Ltd.		March 2021	21/04/7
Issuer Address			
2630 - 1075 West Georgia Street			
City/Province/Postal Code		Issuer Fax No.	Issuer Telephone No.
Vancouver		604-687-3141	604-687-2038
Contact Name		Contact Position	Contact Telephone No.
Joel Dumaresq		CFO & Director	604-687-2038
Contact Email Address		Web Site Address	
hello@taatusa.com		https://taatusa.com	