

THC Form 7
MONTHLY PROGRESS REPORT
September 2018

Name of CSE Issuer	THC Biomed Intl Ltd.
Trading Symbol:	THC
Number of Outstanding Listed Securities	121,104,362 common shares and 16,421,925 reserved for Issuance
Date:	October 10, 2018

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 reporting month, the Issuer continued to explore new business opportunities with several prospects in its target market.

THC announced that the Company has made its first shipment of cannabis to the Province of British Columbia. This marks a significant and fundamental change in the business operations of the Company. THC's high-grade Landrace strains were selected for the recreational market.

THC BioMed products will be available in British Columbia and Ontario initially. There are pending supply agreements with a Saskatoon retailer.

THC announced that the Company granted an aggregate of 5,650,000 stock options, of which 2,000,000 stock options were granted to the directors and 3,650,000 stock options to certain employees and consultants of the Company. The options will vest 10% on issuance, 15% 3 months from the date of issuance and 25% at 6, 9 and 12 months from the date of issuance and may be exercised at an exercise price of CAD \$0.89 per common share, for a period of 2 years from the date of issuance or earlier in accordance with the Company's incentive stock option plan.

THC announced that the Company closed a private placement, under its previously announced investment agreement, with Alumina Partners (Ontario) Ltd. On September 25, 2018, the Company issued to Alumina 1,344,086 Units at a price of \$0.744 per Unit, for total proceeds of \$999,999.98. Each Unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share of the Company for a period of 36 months from closing at a price of \$1.1625 per share. The proceeds of this private placements will be used towards funding the continuous growth and expansion of the Company as well as general working capital.

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

See Item 1.

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.

Our high-grade Landrace strains have been selected for the recreational market and we promise products that will be effective and deliver the desired experience without the debilitating side effects commonly associated with cannabis. Our Landrace Strains will offer recreational adult users a product that is potent and consistent in its quality and effects.

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.

None.

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.

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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.

None.

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.

None.

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

THC announced that the Company has made its first shipment of cannabis to the Province of British Columbia.

The Issuer has continued to register new patients.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trademarks.

The Issuer has developed a cannabis beverage, the formulation for which is intellectual property of the Issuer. THC intends to patent this formula.

See Item 1 for more information.

10. Report on any employee hiring's, terminations or lay-offs with details of anticipated length of lay-offs.

None, except in the ordinary course of business.

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

None.

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.

None.

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

None.

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

On August 21, 2018, the Issuer issued 125,000 common shares at a price of \$0.385 per common share pursuant to an option exercise, for gross proceeds of \$48,125. The proceeds from this exercise will be used for general working capital.

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

None.

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

None.

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

The Issuer's business involves certain risks and uncertainties that are inherent to the Company's industry. For disclosure on risks related to an investment in the Issuer, please refer to the Company's most recent Management's Discussion and Analysis under the titles "Financial Instruments and Risk Management" and "Other Risks and Uncertainties", which is available on SEDAR at www.sedar.com.

Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and 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 CSE 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 CSE Requirements (as defined in CSE Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: **October 10, 2018**

John Miller
Name of Director or Senior Officer

"John Miller"
Signature

President and CEO
Official Capacity

Issuer Details		
Name of Issuer: THC Biomed Intl Ltd.	For Month End September	Date of Report: YYYYMMDD 2018/10/10
Issuer Address: P.O. Box 20033 Towne Centre		
City/Province/Postal Code: Kelowna, BC V1Y 9H2	Issuer Fax No.: N/A	Issuer Telephone No. (250) 870-2512
Contact Name:	Contact Position:	Contact Telephone No.

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