

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: **HARRYS MANUFACTURING INC. (the "Company")**

Trading Symbol: **HARY**

Number of Outstanding Listed Securities: **90,770,007**

Date: **August 8, 2022**

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 of July the Issuer's manufacturing partner in Québec successfully completed adjustments to core process timing, tuning and trial runs of its packaging equipment. The final approval process between management and the manufacturer is underway, and positive results will trigger the production run.

Meanwhile, management met with Ontario customers and the Ontario manufacturer in preparation for an early Fall launch in Ontario and Newfoundland and Labrador.

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

Management approved final proofs of Harrys Special packaging destined for Ontario and Newfoundland and Labrador. The completion of the printing process and delivery of the packaging in late August will begin the production process. The Ontario machines have already been tuned and tested, and are ready to produce cigarettes.

Management continues to work with third-party logistics providers to ensure a smooth transportation supply line to our wholesale partners warehouse facilities.

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.

None to report during the month of July 2022.

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 to report during the month of July 2022.

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.

None to report during the month of July 2022.

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 to report during the month of June 2022.

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 to report during the month of July 2022.

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

None to report during the month of July 2022.

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.

None to report during the month of July 2022.

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

None to report during the month of July 2022.

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

None to report during the month of July 2022.

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 to report during the month of July 2022.

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

During the month of July an existing convertible debt holder converted a \$200,000 convertible debenture plus \$16,340 of accumulated interest into 2,163,400 units, consisting of one common share at \$0.10 per share, plus one full warrant exercisable on or before July 11, 2024 at \$0.12 per share. See section 14 below for more details.

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

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
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Common Shares	2,163,400	Conversion of Convertible Debt plus interest, consisting of one common share and one transferable common share purchase warrant.	N/A
Warrants	2,163,400	Exercisable on or before July 11, 2024 at \$0.12 per share for gross proceeds of up to \$259,608	N/A

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

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

None to report during the month of July 2022.

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

None to report during the month of July 2022.

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

On March 11, 2020, the World Health Organization declared COVID-19 to be a pandemic. The Company remained open for business, however uncertainty still remains as to the ongoing impact of the COVID-19 pandemic on our operations, and on the global economy as a whole. Government-imposed restrictions on travel and other "social-distancing" measures on assembly of groups of persons, have the potential to disrupt supply chains for parts and sales channels for our products, including delays in obtaining any necessary regulatory and government approvals.

It is currently not possible to predict how long the effects of the pandemic will last or the time that it will take for economic activity to return to prior levels. We will continue to monitor the COVID-19 situation closely and intend to follow health and safety guidelines as they evolve.

Other trends and risks that could impact the issuer are detailed on pages 43 to 53 in section 17 "Risk Factors" of the Issuer's Form 2A Listing Statement dated October 5, 2018.

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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 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:

August 8, 2022

Ken Storey

Name of Director or Senior Officer

Signed: "Ken Storey"

Signature

CEO

Official Capacity

Issuer Details		
Name of Issuer Harrys Manufacturing Inc.	For Month End July 2022	Date of Report 22/08/08
Issuer Address 1070 – 1055 West Hastings Street		
City/Province/Postal Code Vancouver, BC, V6E 2E9	Issuer Fax No. ()	Issuer Telephone No. (604) 565-5100
Contact Name Ken Storey	Contact Position CEO	Contact Telephone No. (604) 565-5100
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