



**SPROUTLY ANNOUNCES RECEIPT FOR FINAL SHORT FORM PROSPECTUS
AND DEEMED EXERCISE OF SPECIAL WARRANTS**

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VANCOUVER, B.C., December 21, 2018 – Sproutly Canada, Inc. (CSE: SPR) (OTCQB:SRUTF) (FRA: 38G) (“**Sproutly**” or the “**Company**”) is pleased to announce that it has filed a final short form prospectus (“**Prospectus**”) and obtained a receipt (the “**Receipt**”) in each of the provinces of British Columbia, Alberta, Manitoba and Ontario to qualify the distribution of 15,400,000 equity units (the “**Equity Units**”) issuable upon the deemed exercise of 15,400,000 equity special warrants (the “**Equity Special Warrants**”) of the Company, and 10,750 convertible debenture units (the “**CD Units**”) issuable upon the deemed exercise of 10,750 convertible debenture special warrants (the “**CD Special Warrants**” and, together with the Equity Special Warrants, the “**Special Warrants**”) of the Company previously issued on October 24, 2018 on a private placement basis pursuant to prospectus exemptions under applicable securities legislation (the “**Offering**”).

The Prospectus also qualifies the distribution of 1,078,000 broker equity warrants (the “**Broker Equity Warrants**”) issuable upon exercise of 1,078,000 broker equity special warrants (the “**Broker Equity Special Warrants**”) of the Company and 788,333 broker convertible debenture warrants (the “**Broker CD Warrants**”) issuable upon exercise of 788,333 broker convertible debenture special warrants (the “**Broker CD Special Warrants**” and, together with the Broker Equity Special Warrants, the “**Underwriter Securities**”) of the Company which were issued to Canaccord Genuity Corp., Eight Capital and Haywood Securities Inc. (collectively, the “**Underwriters**”) as partial consideration for their services rendered in connection with the Offering.

Each Broker Equity Warrant is exercisable at \$0.65 to acquire one equity compensation unit (each, a “**Broker Warrant Unit**”) until October 24, 2020. Each Broker Warrant Unit shall be comprised of one common share of the Company (each, a “**Broker Share**”) and one-half of one common share purchase warrant of the Company (each whole warrant, a “**Warrant**”). Each Broker CD Warrant is exercisable at \$0.75 to acquire one convertible compensation unit (each, a “**Convertible Compensation Unit**”) until October 24, 2020. Each Convertible Compensation Unit shall be comprised of one Broker Share and one-half of one Warrant.

As a result of obtaining the Receipt, the Company has delivered a notice to the special warrant agent and the Underwriters that the Special Warrants shall be deemed to be exercised no later than December 27, 2018. The Underwriter Securities shall also be deemed exercised no later than December 27, 2018 in accordance with their terms. Following the deemed exercise of the Special Warrants and the Underwriter Securities, the Company will issue the Equity Units and the CD Units to the purchasers under the Offering, and the Broker Equity Warrants and the Broker CD Warrants to the Underwriters.

For more information on the Offering, please refer to the Prospectus, as well as the Company's news release dated October 24, 2018, available on the Company's profile on SEDAR at www.sedar.com.

About Sproutly Canada, Inc.

Sproutly's core mission is to become the leading supplier to the cannabis beverage and edibles market. Our Toronto based, licensed facility under the *Cannabis Act* (Canada) and the *Cannabis Regulations* was built to cultivate pharmaceutical grade cannabis to supply a technological breakthrough in producing and formulating the first natural, truly water-soluble cannabis solution. Our water-soluble ingredients and our bio-natural oils will deliver emerging brands to international markets that are clamouring for well-defined commercial products. Sproutly's business focus is to execute on partnerships with local and globally established consumer brands to leverage their existing customer bases, further expand brand loyalty, assist with marketing, and support distribution networks to deliver this scientific breakthrough with speed and efficiency worldwide.

For more information on Sproutly, please visit www.sproutly.ca.

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Forward-Looking Statements

Cautionary Note Regarding Forward-Looking Statements: This release includes certain statements and information that may constitute forward-looking information within the meaning of applicable Canadian securities laws or forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. All statements in this news release, other than statements of historical facts, including statements relating to the expected timing of the deemed exercise of the Special Warrants and the Underwriter Securities, are forward-looking statements and contain forward-looking information. Generally, forward-looking statements and information can be identified by the use of forward-looking terminology such as "intends" or "anticipates", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would" or "occur". Forward-looking statements are based on certain material assumptions and analysis made by the Company and the opinions and estimates of management as of the date of this press release, including that the Special Warrants and the Underwriter Securities will be exercised in accordance with the special warrant indentures or certificates governing such securities. These forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. Important factors that may cause actual results to vary, include, without limitation, risks that the deemed exercise of the Special Warrants and the Underwriter Securities will not occur at the time anticipated by the Company. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Readers are cautioned that reliance on such information may not be appropriate for other purposes. The Company does not undertake to update any forward-looking

statement, forward-looking information or financial out-look that are incorporated by reference herein, except in accordance with applicable securities laws.

Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.