



## **SPROUTLY ANNOUNCES FINANCIAL RESULTS FOR THE THIRD QUARTER OF 2018**

### ***NOT FOR DISSEMINATION IN THE US OR THROUGH US NEWSWIRE SERVICES***

**VANCOUVER, B.C., January 29, 2019** – Sproutly Canada, Inc. (CSE: SPR) (OTCQB: SRUTF) (FRA: 38G) (“**Sproutly**” or the “**Company**”) today announced the Company’s financial results for the three and nine months ended November 30, 2018.

"We continued to make significant progress toward a number of our key corporate initiatives in Q3. We completed a \$20.7 million bought deal financing, which strengthened our balance sheet and provides us the ability to accelerate our objectives for fiscal 2020. ", said Keith Dolo, Chief Executive Officer of Sproutly. "In addition, we added key personnel and advisors, and began cultivation at THR. With the completion of these milestones and the proceeds of our recent financing, we are well positioned to execute on our plans to advance the business towards our short term and midterm goals."

### **Highlights for the Third Quarter Ended November 30, 2018**

- Cash position of \$11.5 million as at November 30, 2018, up from \$0.3 million as at August 31, 2018, as a result of completing a \$20.7 million bought deal financing in the quarter. The Company also reported working capital of \$4.2 million at November 30, 2018.
- The Company entered into a letter of intent with Global Canna Labs Limited, the Caribbean’s largest medical cannabis producer, to establish a joint venture for the purpose of developing, producing, distributing, marketing and selling cannabis infused beverages, edibles and topical products derived from Sproutly’s fully licensed APP Technology.
- The Company completed the development and formulation of an initial portfolio of functional beverages with its proprietary naturally water soluble cannabinoids (“Infuz20”). The beverages combine recently licensed rights for the proprietary water soluble mineral platform (“MiST Platform”) with Infuz20. The initial portfolio consists of three separate cannabis/hemp infused beverages that provide the following functions: a) Focused Energy; b) Stress relief and Relaxation; and, c) Restful sleep support.
- Following the resignation of Aman Bains from the Board of Directors of the Company, Sproutly announced that the Board had appointed Michael Bellas to fill the casual vacancy left by Mr. Bains. Mr. Bellas is the founder, Chairman and CEO of Beverage Marketing Corporation and has over 45 years of experience in the beverage industry.

- The Company announced the appointment of Constantine Constandis to its Advisory Board. Mr. Constandis is global C-level executive with over 34 years of experience in the wine and spirits industry in Canada, USA, Europe and Asia

### **Conference Call and Webcast Information**

Sproutly will host a conference call on Tuesday, January 29, 2019 at 10:00 AM Pacific Time, 1:00 PM Eastern Time to answer questions about the Company's financial highlights. The dial-in numbers for the conference call are 1-800-319-4610 (Canada/USA toll free) or +1-604-638-5340 (International). Please dial in 5 – 10 min prior to the scheduled start time.

### **Consolidated Financial Statements and Management's Discussion and Analysis**

The Company's unaudited consolidated interim financial statements and accompanying notes as at and for the three and nine months ended November 30, 2018, and the Company's Management's Discussion and Analysis for the three and nine months ended November 30, 2018 are available under the Company's profile on SEDAR at [www.sedar.com](http://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, ACMPR licensed facility 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 revolutionary 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](http://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. Forward-looking statements relate to future events or future performance and reflect the expectations or beliefs regarding future events of management of Sproutly Canada. 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". This information and these statements, referred to herein as "forward-looking statements", are not historical facts, are made as of the date of this news release and include without limitation, statements regarding discussions of future plans, estimates and forecasts and statements as to management's expectations and intentions with respect to, among other things, the date of trading of the Sproutly Shares on the CSE and final regulatory approvals. These forward-looking statements involve numerous risks and uncertainties and actual results might differ materially from results suggested in any forward-looking statements. These

assumptions, risks and uncertainties include, among other things, the state of the economy in general and capital markets in particular, and other factors, many of which are beyond the control of Sproutly Canada. 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. We seek safe harbor.