



SPROUTLY RECEIVES PROCESSING LICENSE FROM HEALTH CANADA

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VANCOUVER, BC, April 1, 2019 – Sproutly Canada, Inc. (CSE: SPR) (OTCQB: SRUTF) (FSE: 38G) ("**Sproutly**" or the "**Company**"), is pleased to announce that the Company's wholly-owned subsidiary, Toronto Herbal Remedies Inc. ("**THR**"), a licensed producer under the Cannabis Act, has received a processing licence from Health Canada effective March 29, 2019 (the "**Processing License**"). The Processing License allows THR to produce cannabis oil and related products, and will also allow the Company to conduct certain research and development activities, including the formulation of proprietary beverage products.

"We are making steady progress towards achieving Sproutly's mission of delivering a safe and consistent whole plant experience from cannabis, with a lead position in the beverage market. The Processing License grant is a major milestone towards the path to commercializing our cannabis beverages and other edible products. Specifically for cannabis beverages, we can now continue to advance our formulation work at our own production facility as we prepare for the legalization of cannabis beverages later this year," said Keith Dolo, CEO & Director. "Our plan is to deliver cannabis beverages that will not only look and taste great, but also where consumers will feel the cannabis effects within five minutes and dissipate within 90 minutes. With Infuz₂O's fast onset and fast offset characteristics the experience is more similar to drinking a beer, compared to traditional cannabis oils that have an unpredictable, multi-hour experience."

"We have completed a substantial amount of formulation work to-date with our proprietary, naturally produced, water soluble cannabinoids, which we have named Infuz₂O. With the grant of our Processing License, we can extend formulation development work with the cannabis strains which we plan on utilizing in our cannabis beverages in Canada. It also allows us to perform the required shelf-stability and other necessary testing to be ready for the legalization of cannabis beverages later this year," commented Dr. Arup Sen, Chief Science Officer & Director. "In addition to the anticipated launch of our cannabis beverages utilizing Infuz₂O, we are equally excited about commercializing products containing our Bio Natural Oils, which provide substantially different characteristics than other oil-based products on the market today. Our Bio Natural Oils deliver the full-spectrum of cannabinoids and terpenes of the strain from which they are made, and thus empower the consumers to enjoy the experience of their preferred strain of choice in an edible form," he added.

About APP Technology

APP Technology is a proprietary process exclusively licensed from Infusion Biosciences Inc. ("**Infusion Biosciences Inc.**") for certain jurisdictions. The technology is able to gently recover both the water-soluble bioactive materials as well as the plant's oil-based materials and other phytochemicals present in the plant

which include beneficial terpenes, vitamins, micronutrients and other plant oils. The technology uses a patent pending process, proprietary reagents and trade-secrets to accomplish this. APP Technology produces two unique finished ingredients from cannabis and hemp plants:

- **Infuz₂O** – A naturally water-soluble cannabis solution which fully dissolves in water and can be directly added in beverage formulations to deliver the effects of cannabis with a fast onset time of less than 5 minutes, clearing (offset) within 90 minutes; and,
- **Bio Natural Oil** – Cannabinoid oils directly infused into natural oils for edibles or topical application while retaining strain specific characteristics.

The development of Infusion Biosciences' APP technology and the creation of its Infuz₂O and Bio Natural Oil, is based on over 12 years of R&D on the recovery of water soluble phytochemicals from medicinal plants and over 25 years in discovery and development of biotechnology and pharmaceutical drugs.

About Sproutly Canada, Inc.

Sproutly's core mission is to become the leading supplier to the cannabis beverage and edibles market. Our Toronto based facility, licensed under the Cannabis Act, 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.

Contact: Keith Dolo, Chief Executive Officer of Sproutly Canada

Email: investors@sproutly.ca

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 expected launch of the Company's first line of beverage or edible products. 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 Company successfully completing the development and production of its first line of beverage or edible and cannabis products and obtaining all applicable regulatory approvals from global jurisdictions including Health 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, such as the Company's inability to successfully develop and produce its first line of beverage or edible products or the Company's inability to obtain any necessary regulatory approvals. 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 outlook that are incorporated by reference herein, except in accordance with applicable securities laws. We seek safe harbor.