



SPROUTLY ANNOUNCES PLANS TO LAUNCH BIONATURAL OIL PRODUCTS UNDER CALIBER BRAND

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VANCOUVER, BC, MONDAY JULY 16th, 2019 – Sproutly Canada, Inc. (CSE: SPR) (OTCQB: SRUTF) (FSE: 38G) (“**Sproutly**” or the “**Company**”) is pleased to provide an update on its premium cannabis brand for the recreational market, CALIBER, as it plans to launch premium cannabis oil products utilizing its BioNatural Oil (“**BNO**”), a unique and differentiated cannabis oil produced by Sproutly’s proprietary Aqueous Phytoextraction Process (“**APP Technology**”). Sproutly intends to expand the CALIBER brand of products initially into oil capsules, which will be packaged in child resistant, 30 capsule jars. Each capsule will deliver 5mg of full spectrum THC cannabis, giving consumers full control to dose in 5mg increments.



BNO is recovered using the Company’s proprietary APP Technology. In the second step, following the recovery of the naturally water-soluble molecules (known as Infuz₂O), BNO is recovered directly from the plant biomass. Unlike traditional extraction methods that use unnatural chemical solvents, BioNatural Oil is a naturally-derived, strain specific oil that delivers a whole plant experience in oil and edible formats.

Following the receipt of its sale license from Health Canada and ahead of distributing its flower and oil products, Sproutly plans to roll out a CALIBER brand campaign in compliance with Health Canada’s promotional guidelines that will provide consumers and retailers with important product education and information, brand highlights, and the vision behind the brand.

“CALIBER has been carefully curated with the cannabis connoisseur in mind. The unique benefits of BioNatural Oil, combined with high quality flower grow and genetics, is a perfect extension for the CALIBER brand.” said Melise Panetta, Vice President of Marketing and Sales. “The cannabis connoisseur is looking to enjoy the full scope of the strain’s effects, which is a higher quality experience vs limited scope effects delivered by traditional extracted oils and distillate products.”

CALIBER flower and BioNatural Oil products will be produced at the Companies THR facility that utilizes state-of-the-art production and climate-control technology and methods designed to deliver pharmaceutical-grade standards which enables it to produce 'top-shelf' premium cannabis flower. THR produces high-quality, small-batch flower and is now at full production, harvesting weekly and has successfully completed the first run of APP technology.

About APP Technology

APP technology is a patent pending process that uses proprietary reagents to gently recover naturally occurring water-soluble cannabinoids as well as the cannabis oils. Water-soluble cannabinoids, known as 'Infuz₂O' on-set effects start within approximately 5 minutes and dissipate within approximately 90 minutes, which is more similar to drinking a glass of wine or a beer than consuming traditional cannabis oils. BioNatural Oil delivers the total effects of the strain of cannabis from which it is made.

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 under the Cannabis Act 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.

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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 expected launch of the Company's first line of beverage 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 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 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 out-look that are incorporated by reference herein, except in accordance with applicable securities laws. We seek safe harbor.