



## **Sproutly Delivers its Inaugural Shipment of CALIBER in Canada and Signs 2<sup>nd</sup> Provincial Supply Agreement with Cannabis NB**

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**VANCOUVER, BC, December 11<sup>th</sup>, 2019** – Sproutly Canada, Inc. (CSE: SPR) (OTCQB: SRUTF) (FSE: 38G) (“**Sproutly**” or the “**Company**”) is pleased to announce the delivery of its first shipment of CALIBER flower to Alberta Gaming, Liquor & Cannabis (“AGLC”), marking its entrance into Canada’s recreational cannabis market. Adult recreational cannabis consumers in Alberta will soon have the opportunity to enjoy CALIBER’s Berry White and Lemon Z strains which will be available for purchase on Alberta’s only legal online recreational cannabis store, AlbertaCannabis.org as well as in many of the over 350 licensed physical cannabis retailers, the most out of any Canadian province. This news immediately follows the announcement from December 3<sup>rd</sup>, 2019, that Sproutly’s wholly-owned subsidiary Toronto Herbal Remedies (“**THR**”) signed a Supply Agreement with AGLC.

THR has also entered into a cannabis supply agreement in the province of New Brunswick (the “**Supply Agreement**” or the “**Agreement**”), through Cannabis NB (“**CNB**”) as of December 5<sup>th</sup>, 2019. As part of the Agreement, Sproutly will initially supply Cannabis NB with its craft, indoor-grown dried flower products produced at THR, under the Company’s premium cannabis brand “CALIBER”.

“We have a dedicated and driven team at Sproutly, who are focused on delivering executional excellence on every element of our business strategy, starting with the launch of CALIBER flower,” said Keith Dolo, CEO & Director of Sproutly. “Just days after announcing our supply agreement with AGLC, we are proud to see that our product has reached retail availability in Alberta. In addition, the Supply Agreement with Cannabis NB, combined with the anticipated demand from AGLC, is expected to represent the bulk of Sproutly’s anticipated annual highest grade flower production,” explained Dolo.

CALIBER will launch in New Brunswick with 4 SKUs including both 1g and 3.5g sizes for each of CALIBER’s unique strains, Berry White and Lemon Zkittle (2018 Highlife Cup Overall and Best Sativa winner which will be called Lemon Z). The launch will be supported with regional marketing efforts in line with Health Canada regulations.

“We are thrilled to have completed our first shipment to Alberta and to have signed a supply agreement with Cannabis NB. Both provinces are strategic points of entry for CALIBER into the Canadian recreational market as they have attractive consumer bases for high-quality craft cannabis flower. In addition, New Brunswick is a key province as it is the base of operations for our Joint Venture partner, Moosehead Breweries Ltd.” Said Melise Panetta, Vice President of Marketing and Sales. “These are major milestones for our organization and play a key role in achieving our overall vision of expanding our portfolio in 2020 into extracts, beverages (via the Moosehead Sproutly Joint Venture Partnership) and edible products

using the proprietary Aqueous Phytorecovery Process (“APP”) technology that extracts BioNatural Oils (BNO) and water soluble Infuz20,” continued Panetta.

### **About Sproutly Canada, Inc.**

Sproutly’s core mission is to become the leading supplier to the cannabis beverage and edibles market. The Company’s 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](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. 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 Company’s ability to launch its ‘CALIBER’ branded products in Alberta and New Brunswick, the Company’s ability to supply AGLC and CNB with its indoor-grown dried flower products produced from THR and the anticipated success and positive consumer reception of the Company’s ‘CALIBER’ branded products in Alberta or New Brunswick. 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’s inability to launch its ‘CALIBER’ branded products in Alberta and New Brunswick; the Company’s inability to supply AGLC and CNB with its indoor-grown dried flower products produced from THR; potential negative consumer, investor or public perception of the Company’s ‘CALIBER’ branded products in Alberta and New Brunswick; changes in consumer preferences and product trends; and political, legal and regulatory uncertainty relating to cannabis products generally. In making the forward looking statements in this news release, the Company has applied several material assumptions, including without limitation, that the Company will launch its ‘CALIBER’ branded products in Alberta and

New Brunswick, that the Company will be able to supply AGLC and CNB with its indoor-grown dried flower products produced from THR and that the Company's 'CALIBER' branded products will be positively received by consumers in Alberta and New Brunswick. 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.