



Sproutly Announces Cease Trade Order

NOT FOR DISSEMINATION IN THE US OR THROUGH US NEWSWIRE SERVICES

VANCOUVER, BC, September 6, 2022 – Sproutly Canada, Inc. (CSE: SPR) (OTCQB: SRUTF) (FSE: 38G) ("**Sproutly**" or the "**Company**") announced today that, the British Columbia Securities Commission (the "**BCSC**") has issued a general "failure to file" cease trade order pursuant to National Policy 11-207 – *Failure to File Cease Trade Orders and Revocations in Multiple Jurisdictions* (the "**CTO**") dated September 6, 2022 in respect of the securities of the Company as a result of Sproutly's inability to file its audited financial statements for the year ended February 28, 2022 and the related management's discussion and analysis and CEO and CFO certificates (collectively, the "**Annual Filings**") by the prescribed deadline of August 28, 2022 and to file its interim financial results for the quarter ended May 31, 2022, and the related management's discussion and analysis and CEO and CFO certificates (collectively, the "**Q1 Filings**") by the prescribed deadline of August 29, 2022.

The Company's 2022 audit currently remains ongoing and as previously disclosed, is experiencing delays caused by the transition to a new audit firm, as well as the complexities arising from the *Companies' Creditors Arrangement Act* (Canada) ("**CCAA**") filing of the Company's subsidiaries, Toronto Herbal Remedies Inc. ("**THR**") and Sproutly Inc. ("**Holdco**"). The CTO will remain in place until such time as the Annual Filings and Q1 filings are filed by the Company, currently expected before September 30, 2022 and October 15th, 2022, respectively.

The CTO prohibits the trading by any person of any securities of the Company in each jurisdiction in Canada in which the Company is a reporting issuer, including trades in the Company's common shares made through the Canadian Securities Exchange, for as long as the CTO remains in effect; however, the CTO provides an exception for beneficial securityholders of the Company who are not currently (and who were not as of September 6, 2022) insiders or control persons of the Company and who sell securities of the Company acquired before September 6, 2022 if both of the following criteria are met: (i) the sale is made through a "foreign organized regulated market", as defined in section 1.1 of the Universal Market Integrity Rules of the Investment Industry Regulatory Organization of Canada and (ii) the sale is made through an investment dealer registered in a jurisdiction of Canada in accordance with applicable securities legislation.

There is no assurance that the Company will be able to remedy its filing default and have the CTO lifted in a timely manner or at all.

The Company is not currently subject to any insolvency proceedings. The Company also confirms that there is no other material information concerning the affairs of the Company that has not been generally disclosed as of the date of this press release.

About Sproutly Canada, Inc.

Sproutly is the exclusive licensee of APP technology (www.infusionbiosciences.com) to produce proprietary natural water-soluble Infuz2O and BioNatural Oils. Beverage and edible products produced using the whole plant extracts will deliver true to strain whole plant experiences to new consumers and cannabis connoisseurs alike, ushering in the Cannabis 3.0 revolution. Sproutly intends to enter into partnerships with established companies and consumer brands to market unique products that deliver cannabis and hemp whole plant experience and health and wellness benefits, in major commercial territories around the world.

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. Forward-looking statements relate to future events or future performance and reflect the expectations or beliefs of management of the Company regarding future events. 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, management expectations that it will miss the filing deadline for the Annual Filings and the ability of the Company to file the Annual Filings within the time period described herein.

These forward-looking statements involve numerous risks and uncertainties and actual results might differ materially from results suggested in any forward-looking statements. These risks and uncertainties include, among other things: the Company being unable to file the Annual Filings in the proposed timeframe; recent market volatility; and the state of the financial markets for the Company's securities.

In making the forward looking statements in this news release, the Company has applied several material assumptions, including without limitation, that: the Company will be able to file the Annual Filings in the proposed time frame.

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 outlook that are incorporated by reference herein, except in accordance with applicable securities laws. We seek safe harbor.