



## **Sproutly Executes Its First Provincial Supply Agreement with Alberta**

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**VANCOUVER, BC, December 3<sup>rd</sup>, 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 (“**THR**”) has entered into a cannabis standing offer contract with the province of Alberta (the “**Supply Agreement**” or the “**Agreement**”) from Alberta Gaming, Liquor & Cannabis (“**AGLC**”), the province’s wholesaler and operator of Alberta’s only legal online recreational cannabis store, AlbertaCannabis.org. Pursuant to the Supply Agreement, Sproutly will supply AGLC with its indoor-grown dried flower products produced from THR, under the Company’s premium cannabis brand ‘**CALIBER**’. The Alberta Supply Agreement is the Company’s first executed provincial supply agreement for cannabis flower to date.

“Our Supply Agreement with AGLC marks the launch of our ‘**CALIBER**’ products to recreational consumers throughout one of the largest legal provincial markets in Canada by revenue, validating the demand of our products from customers and retailers across the country.” said Keith Dolo, CEO & Director of Sproutly. “With over 340 licensed physical cannabis retailers to date, the most out of any Canadian province, our partnership with AGLC will be a fantastic opportunity to seamlessly introduce our ‘**CALIBER**’ branded products in an established market, beginning with our premium dried flower portfolio. We look forward to replicating this success in additional markets across Canada”.

CALIBER will launch in Alberta with 4 SKUs including both an introductory size (1g) and the most popular size (3.5g) 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.

“Sproutly’s CALIBER brand has been curated with the cannabis connoisseur in mind, and targeted to adults who are looking for a brand distinguished by its premium quality flower. We selected to launch CALIBER in Alberta because we believe it has one of the most attractive consumer bases for high-quality craft cannabis flower.” said Melise Panetta, Vice President of Marketing and Sales. “Sproutly’s product portfolio is expected to expand 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.

The Supply Agreement with AGLC follows the Company’s receipt of its Flower Sales License from Health Canada on October 16, 2019, making it the first executed provincial supply agreement for Sproutly to date.

**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, the Company's ability to supply AGLC 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. 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; the Company's inability to supply AGLC 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; 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, that the Company will be able to supply AGLC 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. 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.