

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Sproutly Canada Inc. (the "Issuer").

Trading Symbol: SPR

Number of Outstanding Listed Securities: 363,223,915

Date: October 7, 2021

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

On September 22, 2021, the Issuer announced that it had settled outstanding current debt (the "Debt Settlement") of the Company and the Company's subsidiary, Toronto Herbal Remedies Inc., in the aggregate amount of \$145,448.44 (the "Debt"), pursuant to the terms of debt settlement agreements with two arm's length creditors (the "Creditors"). In settlement

of the Debt, the Company issued an aggregate of 2,908,968 common shares in the capital of the Company (the "Settlement Shares") at a price of \$0.05 per Settlement Share. The Debt has been extinguished following the issuance of the Settlement Shares. All securities issued in connection with the Debt Settlement are subject to a four-month and one day hold period from date of issuance under applicable Canadian securities laws, in addition to such other restrictions as may apply under applicable securities laws of jurisdictions outside Canada.

On September 30, 2021, the Issuer announced it signed a Letter of Intent ("LOI") for the formation of a commercial relationship with Kingston Cannabis Inc. ("KCI"), a Health Canada Licensed Producer to launch its cannabis-infused beverages through a co-packing arrangement with KCI. KCI's affiliate, Kingston Aluminum Technologies Inc. ("KAT") will provide custom designed aluminum packaging for Sproutly's products. In addition, KCI and Sproutly will collaborate on the consumer evaluation of Sproutly's formulations that are made using ingredients produced by the proprietary APP cannabis processing technology. Sproutly will leverage KCI's co-packing expertise to launch the Company's Infuz2O ready-to-drink (RTD) beverages in calendar Q1 2022. Sproutly's RTDs will be the first on the market with an all natural (no chemicals or harsh physical extraction processes used), whole-plant, water-soluble, true-to-strain beverage that will provide consumers with a consistent and predictable onset and offset experience. The Company's RTDs will be sold in crafted aluminum bottles made possible only with KAT's proprietary aluminum extrusion technology. KCI has also been recently awarded a research license from Health Canada to conduct focus group studies on cannabis-infused beverage products from its facility in Kingston, Ontario. Sproutly and KCI are working together to launch the first of consumer focus group study before the end of October, where participants will be able to try some of Sproutly's first RTD products.

2. Provide a general overview and discussion of the activities of management. **See point 1 above.**
3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law. **None.**
4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned. **None.**
5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship. **None.**

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced. **None.**
7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship. **None.**
8. Describe the acquisition of new customers or loss of customers. **None.**
9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks. **None.**
10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs. **None.**
11. Report on any labour disputes and resolutions of those disputes if applicable. **None.**
12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings. **None.**
13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness. **None.**
14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Common Shares	2,908,968	Debt settlement	N/A

(1) State aggregate proceeds and intended allocation of proceeds.

15. Provide details of any loans to or by Related Persons. **None.**
16. Provide details of any changes in directors, officers or committee members. **None.**
17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends. **None.**

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: October 7, 2021.

Craig Loverock
Name of Director or Senior Officer

s/ "Craig Loverock"
Signature

Chief Financial Officer
Official Capacity

Issuer Details Sproutly Canada Inc.	For Month End September 30, 2021	Date of Report YY/MM/DD 2021/10/07
Issuer Address 112-1020 Mainland Street		
City/Province/Postal Code Vancouver/BC/V6B 2T5	Issuer Fax No. (N/A)	Issuer Telephone No. (778) 945-6868
Contact Name Craig Loverock	Contact Position CFO	Contact Telephone No. 647-984-1244
Contact Email Address Craig.loverock@sproutly.ca	Web Site Address www.sproutly.ca	