

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: **Future Farm Technologies Inc.** (the "Issuer" or "Future Farm").

Trading Symbol: "**FFT**"

Number of Outstanding Listed Securities: **112,254,733**

Date: **April 6, 2018**

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.

***Future Farm Technologies Inc. is a Canadian company with projects throughout North America, including California, Florida and Maryland. The Company's business model includes developing and acquiring technologies***

*that will position it as a leader in the evolution of Controlled Environment Agriculture (CEA) for the global production of various types of plants, with a focus on cannabis. Future Farm provides scalable, indoor CEA systems that utilize minimal land, water and energy regardless of climate, location or time of year and are customized to grow an abundance of crops close to consumers, therefore minimizing food miles and its impact to the environment. The Company holds an exclusive, worldwide license to use a patented vertical farming technology that, when compared to traditional plant production methods, generate yields up to 10 times greater per square foot of land. The contained system provides many other benefits including 90% less water, fertilizer and land used, less travel costs, seed to sale security, scalability, consistency due to year-round production, cost control, product safety and purity by eliminating environmental variability. The Company also utilizes a leading cannabis oil extraction technology, which enables the Company to process 20lbs/hour of cannabis plant to yield approximately 908 grams/hour of oil.*

*The Company is also in the business of designing and distributing LED lighting solutions utilizing the COB and MCOB technology. The Company is focused on delivering cost efficient lighting to North America via advanced e-commerce sites the Company owns and operates. LEDCanada.com which caters to B2B customers is a supplier of the newest and highest demand LED solutions. The Company also owns and operates COBGrowlights.com, which caters to both large and small agriculture green houses and controlled cultivation centers.*

*The Company recently acquired the exclusive right to use a patented, augmented reality (AR) technology in the cannabis industry. The Company will work with its partner to merge AR and ad-tech with the cannabis industry through the CannaCube LiveTM platform.*

2. Provide a general overview and discussion of the activities of management.

*On March 1, 2018, Future Farm announced estimated 2018 projections on its 10-acre operating greenhouse. This 10-acre greenhouse in Apopka, Florida is located in a designated legal grow zone with close proximity to Orlando, which has a local population of almost 2.5 million and attracts over 62 million visitors annually. The greenhouse business will provide Future Farm with cash flow while serving as a major building block for the Company as it prepares to position itself in the emerging Florida cannabis market. The Company plans to upgrade the nursery's technology platform with new computers and software, a new phone system and fully implemented automated accounting, inventory management and order tracking systems. In addition, the Company plans to activate the online ordering platform, which to date has been non-functional, to penetrate higher margin markets such as direct to consumer wedding sales. Finally, the Company plans to*

*initiate an online and social media marketing effort in part by employing the services of an ad agency.*

*On March 7, 2018, the Company announced that its Puerto Rico subsidiary has signed the first of five planned leases for its Clinica Verde branded Puerto Rico dispensaries. The Company expects to sign two more leases in the next thirty days with the additional two leases to follow soon after. The Future Farm Clinica Verde branded dispensary is located in the Condado neighborhood of San Juan, one of the island's most highly trafficked areas.*

*On March 13, 2018, the Company announced that it has closed on a second investment of \$4,000,000 USD from Yorkville Advisors Global, LP ("Yorkville"). Proceeds from the private placement will be used in part to acquire the previously announced, provisionally licensed Registered Marijuana Dispensary ("RMD") in Attleboro, MA. Under the terms of the Yorkville financing, the Company has agreed to enter into a Secured Convertible Debenture in the Principal Amount of \$4,000,000 USD, bearing annual interest at 8% and repayable within 18-months, or convertible into Common Shares of the Company at a price of C\$0.58 per share. In connection with the Debenture, the Company has also granted a Warrant Certificate to purchase 7,421,150 Common Shares at an average price of C\$0.70 per share. The Warrant Certificate expires on March 7, 2021. As further part of this financing, the Company will pay a 10% broker fee to Moody Capital Solutions Inc.*

*The Company also provided an update with respect to the exercise of warrants. As of March 7, 2018, Future Farm's \$0.35 and \$0.37 warrants both expired. Since December 2017, the voluntary exercise of these warrants brought the Company a total of almost \$2,000,000.*

*The Company also announced the appointment of a new auditor. Davidson & Company LLP, Chartered Professional Accountants (the "Former Auditor") has been terminated and Dale Matheson Carr-Hilton Labonte LLP ("DMCL" or the "Successor Auditor") has been appointed as the new auditor, effective immediately. Reporting notices prepared in accordance with National Instrument 51-102 by the Former Auditor, the Successor Auditor and the Company have been filed on SEDAR.*

*On March 15, 2018, the Company announced the grant of incentive stock options to certain directors, officers, employees and consultants to acquire a total of 2,893,750 common shares of the Company at an exercise price of \$0.65 CAD per share. As per the Company's Stock Option Plan, the options expire five (5) years from the date of grant and vest immediately.*

*On March 20, 2018, the Company announced that it had closed on the previously announced investment in BCWC, LLC ("BCWC"), formerly known as Bristol County Wellness Center, Inc. BCWC was recently awarded a*

*special permit from the City of Attleboro and a provisional license from the Department of Public Health to build and operate a 24,700-sq ft. Registered Marijuana Dispensary (“RMD”) that will grow and sell medical marijuana. This vertically integrated license allows BCWC to build out its facility and engage in cannabis cultivation, processing and retailing. BCWC plans to add two additional retail outlets when suitable locations are identified and required approvals are obtained. The timetable calls for construction to begin in the next thirty days, and revenue to begin in the fourth quarter of 2018. BCWC is provisionally licensed to cultivate cannabis with up to 300 lights, process and extract oil to make edibles, and sell through up to three medical dispensary locations. BCWC may also sell up to 30% of its cannabis to other dispensaries.*

*Future Farm made its investment by loaning BCWC \$5,003,100 under a Secured Convertible Promissory Note. That Note will convert automatically into a 51% ownership interest in BCWC on the date on which BCWC receives its RMD Certificate from the Commonwealth of Massachusetts. If the Note does not convert, it is due and payable in full on May 1, 2019. In addition, Future Farm has entered into consulting contracts with each of the owners of BCWC for those individuals to advise Future Farm on the development of the BCWC facilities and business. The aggregate consideration for the consulting services to be provided by all of the individuals is the issuance of 2,925,514 Common Shares of Future Farm.*

*On March 22, 2018, the Company announced that it had signed a Letter of Intent (“LOI”) to acquire a 50% interest in and to enter into a definitive joint venture agreement with CEPG Consulting and Design Inc. (“CEPG”) of St. John’s, Newfoundland. The joint venture is formed to begin operations for a cannabis and hemp breeding program under its previously announced joint venture with Rahan Meristem Ltd. (“Rahan”), a world renown global agro-biotechnology company incorporated in the State of Israel. The joint venture will operate out of both an existing building and 6,000 square feet of newly constructed laboratories.*

*CEPG is a Canadian corporation wholly owned by Snellen Holdings (1994) Co. Ltd. (“SHC”), based in St John's, Newfoundland. SHC has been developing controlled environment plant growth systems since 1981. SHC will transfer ownership of land and a building located in St. John's, Newfoundland, as well as a 48-ft trailer and its contents.*

*CEPG will apply for a dealer license from health Canada, which will enable research and development to begin on the growth of cannabis plants. Once licensed, the R&D facility will use state-of-the-art controlled environment equipment and techniques to create a research hub for the Rahan and Future Farm JV, which is expected to create valuable IP to be sold worldwide. The joint venture will develop, own and utilize Rahan's proven and proprietary technology to mass- produce elite new strains of marijuana to fit various*

*profiles required of the medical and legal use of this highly valuable and beneficial plant. As part of the subject JV agreement, Rahan shall be responsible for providing the know-how and technology, as well as management and operation of the breeding program.*

*In consideration for the acquisition, SHC will receive CAD\$150,000 in the form of Future Farm common stock valued at the closing price on the day prior to this press release, and the cash equivalent value of CEPG's 1,940 shares in Canopy Growth Corporation, valued at the closing share price on the day the transaction closes and Mr. H. C. Snellen will receive CAD\$50,000. An additional payment is expected to be issued to SHC in Future Farm stock equivalent to the dollar value of a second tranche of Canopy stock. All Canopy stock will remain with CEPG.*

*The Company also announced that the Board of Directors has approved the cancellation of 3,487,500 incentive stock options currently exercisable at \$0.96CDN.*

*On March 29, 2018, the Company announced that it had begun preparations for the propagation of industrial hemp at its Belfast, Maine facility. The Company has engaged GGS Structures of Vineland Station, Ontario to outfit planting trays, which will house over 200,000 hemp seedlings for the 2018-growing season. In addition to ordering the seeding tables, Future Farm has also engaged a local electrician and contractor to begin the build-out of its propagation room, which Future Farm anticipates will be completed by May 1st. This schedule should allow sufficient time to grow the seedlings to a point where they are hardy enough to be planted outside at the Company's Amity 120-acre and Hersey 100-acre farms before Maine's June 1<sup>st</sup> deadline. Looking forward to 2019, the Company expects to exercise its option to expand within the Belfast facility and to double production in 2019 at this location.*

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 to report for the period.***

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 to report for the period.***

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 to report for the period.***

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 to report for the period.***

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 to report for the period.***

8. Describe the acquisition of new customers or loss of customers.

***None to report for the period.***

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 to report for the period.***

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

***None to report for the period.***

11. Report on any labour disputes and resolutions of those disputes if applicable.

***None to report for the period.***

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 to report for the period.***

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

***None to report for the period.***

14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>
Stock options	2,893,750	Grant of stock options	N/A

Common shares	418,800	Warrant exercises	Asset acquisition and general working capital.
Warrants	7,421,150	In connection with the secured convertible debenture with Yorkville Advisors Global, LP	N/A

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

15. Provide details of any loans to or by Related Persons.

***None to report for the period.***

16. Provide details of any changes in directors, officers or committee members.

***None to report for the period.***

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

***Future Farm's lighting and agricultural solutions provide it with exposure to increased governmental regulation of energy efficiency, and to increased commercialization of hydroponic agriculture. A reversal of these trends, or the presence of additional competitors could adversely affect Future Farm and its future activities.***

***Other trends and risks which are likely to impact the Issuer are discussed in the Issuer's financial statements (the "Q3 Financial Statements") and corresponding management's discussion and analysis (the "Q3 MD&A") for the nine months ended November 30, 2017. The Q3 Financial Statements and Q3 MD&A are both available under the Issuer's profile on SEDAR at [www.sedar.com](http://www.sedar.com).***

## 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 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 April 6, 2018.

**William Gildea**

Name of Director or Senior Officer

*William Gildea*  
Signature

**CEO & Director**

Official Capacity

<b><i>Issuer Details</i></b> Name of Issuer <b>Future Farm Technologies Inc.</b>	For Month End <b>March, 2018</b>	Date of Report YY/MM/D <b>2018/04/06</b>
Issuer Address <b>Suite 501 – 543 Granville Street</b>		
City/Province/Postal Code <b>Vancouver, British Columbia V6C 1X8</b>	Issuer Fax No. <b>N/A</b>	Issuer Telephone No. <b>(617) 834-9467</b>
Contact Name <b>William Gildea</b>	Contact Position <b>CEO &amp; Director</b>	Contact Telephone No. <b>(617) 834-9467</b>
Contact Email Address <b>bill@futurefarm.com</b>	Web Site Address <b><a href="http://www.futurefarmtech.com">http://www.futurefarmtech.com</a></b>	