

## 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: **125,577,358**

Date: **July 5, 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 is a Canadian company with holdings throughout North America including California, Massachusetts, Florida, Maine, Puerto Rico and Newfoundland. The Company’s mission is to advance sustainable***

**agriculture through production of wholesale and retail cannabis products, including hemp. As a leader in its field, Future Farm is committed to using only the highest quality processes and products. Towards this goal, the Company acquires or partners with licensed cannabis operators, and acquires or develops leading technologies in cannabis production, breeding, genetics, and Controlled Environment Agriculture (CEA). Future Farm's scalable, indoor CEA systems utilize minimal land, water and energy resources. The Company holds an exclusive, worldwide license to use a patented vertical farming technology that, when compared to traditional plant production methods, generates yields up to 10 times greater per square foot of land.**

**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.**

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

**On June 11, 2018, the Company filed its notice of Annual General and Special Meeting with the TSX Venture Exchange, Alberta Securities Commission, British Columbia Securities Commission and Ontario Securities Commission. The Meeting date is scheduled for July 26, 2018 and will be held in Vancouver, BC. The Shareholder Record Date for Notice, Voting and Determination of Beneficial Ownership is June 19, 2018.**

**On June 13, 2018, the Company announced that its cannabis breeding and in vitro propagation business segment (a joint venture with Rahan Meristem and CEPG, the "JV") is vetting top candidates to fulfill the lead scientist role for its state of the art laboratory in St. John's, Newfoundland. This move ushers in a new phase of planning and development for the space, slated to be completed in November of 2018. The objective for the JV is to position the Company as a research leader in genetics, biochemistry and in vitro technology in the cannabis space.**

**On June 14, 2018, the Company announced that the build out of its cultivation and extraction operation in Attleboro, Massachusetts has entered the next phase of development with the procurement of bids from general contractors.**

**The Company also announced that it has completed the demolition of the interior of its Providence, Rhode Island building, which allows for the build-out of a cultivation facility to commence in earnest.**

**On June 20, 2018, the Company announced that the formal process for completing the distribution of 11,000,000 common shares of NexTech AR Solutions Corp. (“NexTech”) to the shareholders of Future Farm (the “Future Farm Shareholders”) on a pro-rata basis is now under way. The process began with the filing last week of a Notice of Meeting and Record Date for an Annual General and Special Meeting to take place on July 26, 2018. That notice is available on the [CSE](#).**

**The distribution of the NexTech common shares is to be completed pursuant to a court-approved Plan of Arrangement. The next step in the process is the application for an Interim Order from the British Columbia Supreme Court. The application for the Interim Order was filed yesterday and is set for a court hearing on June 21. Upon receipt of the Interim Order the Company will proceed to mail to the Future Farm Shareholders a proxy circular disclosing detailed information on the business of NexTech.**

**If the Arrangement is completed, Future Farm Shareholders will receive a total of 11 million common shares of NexTech while maintaining their current ownership interest in Future Farm. NexTech will apply to list its shares on the CSE following completion of the Arrangement.**

**NexTech will focus on the advancement and development of its revenue generating portfolio of gaming and all-in-one apps known as the “All-In-One-App Portfolio” using its augmented reality technology. NexTech has also expanded its augmented reality technology products and is working with a number of clients for the provision A/R enhanced marketing services including through its Native AR Platform and AR learning model.**

**The securities referenced above have not and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.**

**On June 25, 2018, the Company announced that on June 21 the Supreme Court of British Columbia issued the Interim Order permitting Future Farm to conduct an annual general and special meeting of its shareholders at 10:00 a.m. (Vancouver time) on Thursday, July 26, 2018 at 1200 - 750 West Pender Street, Vancouver, British Columbia. At the meeting the shareholders will, amongst other things, consider and, if deemed advisable, pass, with or without amendment, a special resolution authorizing a plan of arrangement among Future Farm, the Future Farm shareholders and NexTech AR Solutions Corp. (“NexTech”).**

**If the plan of arrangement is approved, Future Farm will, effectively, spin-out 11,000,000 common shares of NexTech now owned by Future Farm to the Future Farm shareholders on a pro rata basis. Future Farm shareholders will**

***then own approximately 25.86% of the issued and outstanding common shares of NexTech. On a per share basis, Future Farm shareholders would be entitled to receive, for every one common share of Future Farm held by them, a fraction of a NexTech common share equal to the quotient of 11,000,000 NexTech common shares divided by the number of Future Farm common shares outstanding on the close of business on the last trading day on the CSE immediately prior to the effective date (the “Effective Date”) of the plan of arrangement. For example, based on the 125,577,358 Future Farm common shares issued and outstanding as of June 22, 2018, Future Farm shareholders would be entitled to receive, for every one Future Farm common share held, approximately 0.0876 of a NexTech common share. The actual ratio will be different because it is not possible at this time to know the exact number of Future Farm shares that will be outstanding on the last trading day before the Effective Date.***

***The last trading day on the CSE immediately prior to the Effective Date will also be the record date for the distribution of NexTech shares (the “Share Distribution Record Date”). In other words, any Future Farm shareholder of record on the Share Distribution Record Date will be the shareholder who receives the NexTech shares to be spun out. The Share Distribution Record Date cannot be set until the plan of arrangement is approved by the Future Farm shareholders at the meeting, the British Columbia Supreme Court issues its final order approving the arrangement and other customary closing conditions are met. Future Farm expects that process will result in the Share Distribution Record Date being August 7. Notice of the actual Share Distribution Record Date and the Effective Date will be given to the Future Farm Shareholders through one or more press releases.***

***Future Farm expects to mail a Management Information Circular regarding the plan of arrangement this week. The Management Information Circular contains important detailed information which should be reviewed carefully by all Future Farm shareholders before they determine how to vote their shares.***

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***On June 28, 2018, the Company filed FORM 51-102F3 - Material Change Report with respect to the above referenced June 25<sup>th</sup> press release announcing the NexTech interim order and updates.***

***On June 28, 2018, the Company also announced an update with respect to the estimated revenue and EBITDA generated by White Sands Nurseries, Inc. ("White Sands"), the 10-acre operating greenhouse business acquired by the Company in early 2018. At the time Future Farm purchased White Sands in January 2018, the estimated financial results for the business in calendar year 2017 were \$2,800,000 USD in revenue and \$400,000 USD in EBITDA. The Company recently received the finalized financial statements of White Sands for the 12-month period ended December 31, 2017 and is pleased to announce that the business exceeded expectations by generating revenue of \$2,878,483 USD and EBITDA of \$425,585 USD. The Company expects its White Sands to continue the upward trend and generate \$3,000,000 USD in revenue for calendar year 2018, with similar improvement in EBITDA.***

***On June 29, 2018, the Company filed its Notice of Meeting, Management Information Circular and Proxy Materials with respect to the upcoming Annual General and Special Meeting. The Company also filed its Arrangement Agreement with NexTech AR Solutions Inc.***

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>
Options	2,000,000	Grant of stock options	N/A
Common shares	200,000	Exercise of stock options	General working capital

(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 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 July 5, 2018.

**William Gildea**

Name of Director or Senior  
Officer

*William A Gildea*

Signature

**CEO & Director**

Official Capacity

<b>Issuer Details</b> Name of Issuer <b>Future Farm Technologies Inc.</b>	For Month End <b>June, 2018</b>	Date of Report YY/MM/D <b>2018/07/05</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>http://www.futurefarmtech.com</b>	