

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: **170,767,900**

Date: **September 6, 2019**

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 August 1, 2019, the Company announced that financial statements had been filed for the first quarter of fiscal year 2020, which ended May 31, 2019 ("Q1 2020"). All figures are in Canadian dollars. The first quarter was a strong start to fiscal year 2020, with a 58% increase in revenue as compared to the same quarter last year. Significant hemp seed sales were the driving force behind the revenue growth. The Company posted revenues of \$2,063,692 as compared to \$1,304,749 during the first quarter of fiscal year 2019 ("Q1 2019"). Cost of sales for the quarter were \$806,600. As required by the International Financial Reporting Standards, the Company also posts realized and unrealized fair value changes to inventory and biological assets. Fair value changes reduced net income by \$1,753,786. Operating expenses associated with these revenues for Q1 2020 were \$1,291,125 as compared to \$4,064,422 in Q1 2019, a reduction of 68%. The resulting loss from operations of \$1,648,398 is a marked improvement over Q1 2019, which resulted in a loss from operations of \$3,974,289.

On August 9, 2019, the Company announced that, after careful consideration and analysis, it will focus its resources on existing business operations that are expected to meaningfully increase revenue this fiscal year and in the future. To that end, the Company's robust expectations for its Maine hemp-for-wellness operations have led it to decide that it will focus on successfully growing its 2019 crop of hemp and extracting CBD and other valuable materials from that crop. Future Farm will sell those materials to manufacturers of consumer CBD products.

Future Farm will continue to pursue licenses to grow cannabis for research and development in Canada in partnership with Rahan Meristem. The Company will discontinue projects related to marijuana in the United States in order to enhance its access to capital and simplify other aspects of business operations such as banking and tax planning. As an initial step in this effort, Future Farm has sold its interest in FFPR, LLC, the company developing dispensaries in Puerto Rico, back to its local partner in that effort, Clinica Verde.

On August 13, 2019, the Company announced that its Canadian subsidiary, CEPG Consulting and Design Inc. (“CEPG”), had been issued an Industrial Hemp License from Health Canada. As [previously announced](#) in April, the Company hired consultant Gary Harnum to assist with several license applications to Health Canada. This particular license, in combination with a building permit previously issued by the City of St. John’s, Newfoundland, allows CEPG to move forward with the construction of its planned hemp research facility at 148 East White Hills Rd.

Another license application has been submitted to Health Canada as part of a potential collaboration between CEPG, Rahan Meristem (1998) LTD (“Rahan”) and The Memorial University of Newfoundland (“MUN”) to develop a research program for the characterization of elite Cannabis clones.

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 ⁽¹⁾
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, 2018. The Q3 Financial Statements and Q3 MD&A are both available under the Issuer's profile on SEDAR at 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 September 6, 2019.

William Gildea
Name of Director or Senior
Officer

William Gildea
Signature

CEO & Director
Official Capacity

Issuer Details Name of Issuer Future Farm Technologies Inc.	For Month End August, 2019	Date of Report YY/MM/D 2019/09/06
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Contact Name William Gildea	Contact Position CEO & Director	Contact Telephone No. (617) 834-9467
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