

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: Stone Ridge Exploration Corp. (the "Issuer").

Trading Symbol: SO

Number of Outstanding Listed Securities: 31,193,500 common shares

Date: March 2, 2018 (for the month ended February 28, 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 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.

**By News Release dated February 8, 2018, the Issuer announced that it has entered into a binding definitive agreement dated February 7, 2018 (the "Definitive Agreement") with Sproutly Inc. ("Sproutly"), to acquire a 100% interest in Sproutly, which will constitute a reverse takeover of the Issuer by the shareholders of Sproutly (the "Transaction"). As presently contemplated, it is expected that the Transaction will be completed by way of a plan of arrangement under the**

***Business Corporations Act (Canada).*** The parties intend to apply for listing of the resulting issuer's (the "Resulting Issuer") common shares on the Canadian Securities Exchange ("CSE"), with such listing to be effective concurrently with the completion of the Transaction. Certain terms of the Transaction are set forth in the Issuer's press release dated November 23, 2017 and filed on SEDAR.

Pursuant to the Transaction, the issued and outstanding common shares of Sproutly will be exchanged for common shares of the Issuer on a one (2) post-consolidated share for one (1) share basis.

**Acquisition Highlights:**

- **Unique Urban Footprint:** Wholly-owned (1) 16,600 sq. ft. late-stage applicant under Access to Cannabis for Medical Purposes Regulations cultivation facility, located approx. 14 mins from downtown Toronto, which delivers proximity to urban consumers;
- **Distribution Capabilities:** Oversized level 9 vault which, subject to regulatory approval, will have potential capacity of up to \$32 million in product and its central location enables the opportunity to act as strategic distribution hub for the Greater Toronto Area enabling same-day deliveries<sup>(1)(2)</sup>;
- **Proven CBD Specialization:** Master Geneticists, Adam Jacques, has over 20+ years specializing in the development and cultivation of cannabidiol (CBD) focused cannabis strains in regulated U.S. states which will provide the Issuer with the ability to provide sought after high CBD cannabis products;
- **Proprietary Pipeline:** Future expansion opportunities in Canadian low-energy cost provinces adds scalability to Sproutly's cultivation operations within the jurisdictions where such activities may be lawfully conducted;
- **Proven Leadership:** Numerous decades of experience in cannabis genetics breeding and cultivation, plant science, and leadership roles within the proposed management and operations team.

(1) *Upon closing of the Proposed Transaction, and assuming Sproutly's acquisition of THR (see below).*

(2) *Subject to Health Canada approval.*

**Overview of Sproutly**

Sproutly is an emerging Canadian cannabis company that strives to meet the evolving needs of cannabis consumers across Canada. Prior to the closing of the Proposed Transaction, Sproutly intends to acquire Toronto Herbal Remedies Inc. ("THR"). THR is in the final stage of its application for licensing under the Access to Cannabis for Medical Purposes Regulations ("ACMPR"). THR's facility (the "THR Facility") is located in the Greater Toronto Area ("GTA"), approximately 14 minutes from the downtown core. The THR Facility has a level 9 vault which (when approved by Health Canada) will allow up to \$32 million in cannabis product to be held at the facility at any one time, providing THR with the opportunity to act as a strategic distribution hub to service the GTA through partnerships with other Canadian licensed producers.

In addition to the THR Facility, Sproutly also owns a late-stage ACMPR license application in the lower mainland of BC, which is in a detailed operations and

security review process with Health Canada for licensing (when granted, the “BC License”). The BC License will provide Sproutly with the ability to scale up its production capacity on the West Coast.

Sproutly’s leadership team has a history of lawful cannabis cultivation in the Oregon market, having partnered with Adam Jacques, considered a CBD pioneer of cannabis. Sproutly’s business relationships across North America will provide Sproutly with access to a proprietary pipeline of cannabis opportunities.

Sproutly may conduct a private placement of up to \$3,000,000 in convertible debentures (the “Sproutly Debentures”) maturing in one year, paying interest of 10% per annum, accruing monthly (the “Sproutly Private Placement”). Immediately prior to the completion of the Transaction, the principal and accrued interest under the Debentures will be automatically converted, without further action, into common shares of the Resulting Issuer at a deemed price of \$0.35 per Common Share (approximately \$0.17 per Resulting Issuer common share).

#### **Conditions to Proposed Transaction**

Completion of the Proposed Transaction is subject to certain conditions precedent including, among other things:

- completion of the acquisition by Sproutly of 100% of the issued and outstanding common shares of THR;
- completion of satisfactory due diligence investigations by each of the Issuer and Sproutly;
- approval of the Proposed Transaction by the board of directors of each of Sproutly and the Issuer;
- the completion of the Sproutly Private Placement;
- approval of the Proposed Transaction by Sproutly shareholders;
- approval of the Proposed Transaction by the Issuer shareholders, if required; and
- receipt of any and all required consents, waivers and approvals from the Exchange, any securities regulatory authority and any other third party having jurisdiction, including approval from the Exchange for the Proposed Transaction and the listing of the Resulting Issuer Shares on the Exchange.

#### **Proposed Management and Board of the Resulting Issuer**

It is currently anticipated that all of the current officers and current directors of the Issuer will resign from their respective positions with the Issuer at the time of closing of the Proposed Transaction. Subject to Exchange approval, on completion of the Proposed Transaction, it is currently anticipated that the board of directors of the Resulting Issuer will be nominated by Sproutly. Keith Dolo will serve as CEO, President, and Chairman of the Board of the Resulting Issuer.

There were no further developments to report for the month of February, 2018.

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

During February, 2018, management was engaged in general management and administrative matters.

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.

**No drilling, exploration or production programs have been amended or abandoned during the month of February, 2018.**

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.

**Not applicable.**

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.

**Not applicable.**

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

**There were no employee hirings, terminations or lay-offs during the month of February, 2018.**

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

**There were no labour disputes or resolutions to labour disputes during the month of February, 2018.**

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.

**The Issuer is not aware of any legal proceedings to which the Issuer has become a party during the month of February, 2018.**

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

**The Issuer did not incur or repay any indebtedness during the month of February, 2018.**

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

**The following table shows the shares, options and warrants issued or granted during the month of February, 2018.**

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>
None			

<sup>(1)</sup> State aggregate proceeds and intended allocation of proceeds.

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

**There were no loans to or by Related Parties during the month of February, 2018.**

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

**There were no changes in directors, officers or committee members during the month of February, 2018.**

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

**The Issuer has no history of earnings and there are no known commercial quantities of mineral reserves on the Issuer's property. The Issuer's property is currently in the exploration stage only. There is also no guarantee of the Issuer's title to its property. The Issuer's activities may require permits or licenses which may not be granted to the Issuer. The Issuer competes with other companies with greater financial resources and technical expertise. The Issuer is currently largely dependent on the performance of its directors and there is no assurance the Issuer can maintain their services. In recent years both metal prices and publicly traded securities prices have fluctuated widely.**

### Certificate of Compliance

The undersigned hereby certifies that:

- 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.
- 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 Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: March 2, 2018.

Robert Coltura  
Name of Director or Senior Officer

s/ "Robert Coltura"  
Signature

President, Chief Executive Officer,  
Chief Financial Officer and Director  
Official Capacity

<b><i>Issuer Details</i></b> Name of Issuer	For Month End	Date of Report YY/MM/DD
<b>Stone Ridge Exploration Corp.</b>	February 28, 2018	18/03/02
Issuer Address Suite 200 – 551 Howe Street		
City/Province/Postal Code Vancouver, British Columbia V6C 2C2	Issuer Fax No. (604) 683-8605	Issuer Telephone No. (604) 683-8610
Contact Name  Robert Coltura	Contact Position President, Chief Executive Officer, Chief Financial Officer and Director	Contact Telephone No.  (604) 683-8610
Contact Email Address <a href="mailto:rcoltura@matalia.ca">rcoltura@matalia.ca</a>	Web Site Address None	