

## NEWS RELEASE

Canadian Stock Exchange: Symbol: BYFM

December 2, 2022

### **Sprout AI provides an update to its Cease Trade Order on the Canadian Stock Exchange**

**Vancouver, British Columbia** – Sprout AI Inc. (CSE: BYFM) (OTCQB: BYFMF) ("Sprout AI" or the "Company"), a vertical farming technology company announces that as a result of a review by the British Columbia Securities Commission, it has refiled its July 31, 2022 Q2 Interim Management's Discussion and Analysis ("MD&A"), April 30, 2022 Q1 interim financial statements and July 31, 2022 Q2 interim financial statements. These filings can be found on SEDAR under the Sprout AI company profile.

- *The company is refiling the July 31, 2022 interim MD&A to remove all forward-looking information relating to its revenue projections as required by Section 4A of NI 51-102 and provide an update on the previously disclosed material forward-looking information as required by section 5.8 of NI 51-102.*
- *The company is also refiling the April 30, 2022 and July 31, 2022 interim financial statements to insert notice of no auditor's review as required by section 4.3(3) of NI 51-102.*
- *In addition, the company is retracting all previously disclosed forward-looking revenue projections in its January 31, 2022 annual MD&A and April 30, 2022 interim MD&A. Investors should not place reliance on these forward-looking revenue projections.*

The Company shares have been under a Cease Trade Order (CTO) since April 5, 2022 due to missed filing requirements. Sprout continues to work to lift the CTO and commence trading of the shares on the CSE in due course.

#### **About Sprout AI**

Sprout AI is a vertical farming technology company in the business of planning, designing, manufacturing and/or assembling sustainable and scalable AI-controlled vertical cultivation equipment for indoor vertical farming. The adaptive technology produces an environment with improved growing parameters and early detection of adverse conditions, resulting in consistent and repeatable crops with shorter cultivation cycles independent of geographic climates.

The self-contained multilevel rolling rack technology increases the cubic cultivation area while mitigating the risk of outside and cross-contaminants.

#### **Chief Executive Officer**

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#### **Forward-Looking Statements**

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation, with respect to the Company. The forward-looking information included in this news release is not based on historical facts but rather, on the expectations of the Company's management regarding the future growth of the

Company, its results of operations, performance, business prospects and opportunities. This news release uses words such as "will," "expects," "anticipates," "intends," "plans," "believes," "estimates" or similar expressions to identify forward-looking information. Such forward-looking information reflects the current beliefs of the Company's management based on information currently available to them. This forward-looking information includes, among other things, statements relating to: the CTO, completion of the November 30 Filings, revocation of the CTO, resumption of trading of the Company's common shares and preparation of the Company's annual audited financial statements for its transitional year ended February 28, 2022. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements reflect the beliefs, opinions and are based upon a number of assumptions and estimates that, while considered reasonable by the respective parties, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Such factors include without limitation, that the Company has adequate resources to complete the November 30 Filings and its audited financial statements for its transitional year ended February 28, 2022 in the timelines anticipated by the Company, global or national health concerns, including the outbreak of pandemic or contagious diseases, such as COVID-19 and including the evolution of new variants of COVID-19, the duration and effect thereof and delays relating to vaccine development, procurement and distribution; risks relating to the effective management of the Company's growth, liabilities and risks, including environmental liabilities and risks associated with the Company's operations, the Company's ability to attract and retain customers, the competitive nature of the industries in which the Company operates. If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking statements prove incorrect, actual results might vary materially from those anticipated in the forward-looking statements. Information contained in forward-looking statements in this news release is provided as of the date of this news release, and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information or future events or results, except to the extent required by applicable Canadian securities laws. Accordingly, potential investors should not place undue reliance on forward-looking statements or the information contained in those statements.

All the forward-looking information contained in this news release is expressly qualified by the foregoing cautionary statements.

