

**ALLIANCE GROWERS CORP.**

**NEWS RELEASE**

# ALLIANCE GROWERS ANNOUNCES UPDATE ON JOINT BUSINESS COLLABORATIONS WITH PHARMAGREEN IN CONNECTION WITH ITS APPLICATION FOR LISTING ON THE FRANKFURT STOCK EXCHANGE

**August 19, 2016 – Vancouver, B.C. – Alliance Growers Corp. (CSE: ACG**) (“**Alliance Growers**” or the “**Company**”) is pleased to provide an update report to its progress with regard to discussions and due diligence of WFS PharmaGreen Inc. (“PharmaGreen”), and Canna Companion Products, Inc. (“Canna”) [www.cannacompanionusa.com](http://www.cannacompanionusa.com), a wholly owned subsidiary of PharmaGreen. Alliance and PharmaGreen have entered into discussions for the development of a 40,000 square foot facility (the “Facility”)to be the first of its kind in Western Canada to house a DNA Botany lab, extraction facility and Tissue Culture Plantlet Production facility to service the Cannabis market and agriculture market in general.

Alliance continues its review of Canna operations and further due diligence on the proprietary Tissue Culture “Chibafreen Invitro Plant Production System” as well as further discussions regarding additional joint business interests and opportunities with PharmaGreen, including the potential of a full merger between PharmaGreen and Alliance.

To finance the development of the Facility**,** the Company has engaged DGWA, the German Institute for Asset and Equity Allocation and Valuation, known and respected as one of the leading German Corporate Boutiques for global small and mid-cap consulting and investments. As reported on August 18, 2016, Alliance has applied for a listing on the Frankfurt Stock Exchange, as the beginning of a European partnership with DGWA.

Dennis Petke, Alliance Growers President and CEO states, "Our partnership with DGWA provides Alliance access to German capital market to assist us in raising, in stages, the capital required to fully finance the joint business arrangements with PharmaGreen, including funding the setup of the Facility".

Mr. Petke continues, "Since we began discussions with PharmaGreen in June 2016, new opportunities have been developed collectively to exploit the current and future Cannabis markets through multiple initiatives worldwide, utilizing the resources from both Alliance and PharmaGreen".

Peter Wojcik, PharmaGreen CEO adds, "We are very pleased with the discussions of the various joint business opportunities with Alliance thus far. We are very excited about the addition of Alliance’s Frankfurt Listing as this will place Alliance in an excellent position to fund our joint collaborations".

 **About the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse: FWB):**

According to the FWB website, an estimated 45 percent of Europe's top 300 companies have their primary listing on the London or Frankfurt exchanges. The Frankfurt Stock Exchange is an international trading centre with more than 215 market participants, 50% of which are from countries other than Germany. The FWB is one of the world’s largest stock exchange for securities trading and ranks 10th in the “Trillion Dollar Club”. With 90 per cent of its turnover generated in Germany, namely at the two trading venues Xetra® and Börse Frankfurt, it is the largest of the seven regional securities exchanges in Germany. Besides the specialist trading at Frankfurt Stock Exchange, its fully electronic trading system Xetra® is one of the leading electronic trading platforms in the world. With the launch of Xetra in 1997, the Frankfurt Stock Exchange strengthened its competitive position and created attractive framework conditions for foreign investors and market participants. The FWB was founded over four hundred years ago in 1685 and is operated by Deutsche Borse AG.

**About Alliance Growers**

Alliance Growers Corp (ACG: CSE) is a diversified cannabis company driven by the Company’s ‘Four Pillars’ Organization Plan - MMPR cannabis production facilities, distribution network, consumer products, and research and development. Alliance has advanced on its discussions regarding joint business interests and opportunities with PharmaGreen, including a potential full merger of PharmaGreen and Alliance Growers, subject to continued extensive due diligence and analysis. For further information please visit the Company’s corporate website at [www.alliancegrowers.com](http://www.alliancegrowers.com) or the Company’s profile at [www.sedar.com](http://www.sedar.com).

If you would like to be added to Alliance Growers’ news distribution list, please send your email address to newsletter@alliancegrowers.com

**About Pharmagreen**

WFS Pharmagreen Inc. is a private company located in Mission, B.C. that is in the business of manufacturing and marketing cannabis-hemp based products for animals and owns the exclusive international rights to all present and future Canna Companion formulations and products. The Company’s executive management team and its advisory committee are composed of a significant mix of professionals that have been carefully gleaned from the fields of private and public company management; veterinary science; human medical science; marketing, branding and business development capped with unparalleled academic and celebrity endorsement. The Company’s animal products are developed under its 100% owned subsidiary Canna Companion Products, Inc. based in Washington State, U.S.A. Canna operates a 5,000 sq. ft. facility for product formulation, fulfillment and customer care center in Monroe, Washington in support of its U.S. based sales for all levels, distributors, dealers, and e-commerce of the Canna Companion products, [www.cannacompanionusa.com](http://www.cannacompanionusa.com) .

**About DGWA**

DGWA, the German Institute for Asset and Equity Allocation and Valuation, is a partner for the European Financial Markets – known and respected as one of the leading German Investment Banking Boutiques for providing global small and mid-cap Financial Advisory Services.

They build solid, substantial and comprehensive bridges for listed and non-listed companies to investors, financial institutions and multipliers like press and media and offer finest financial engineering solutions, tailor made for their clients.

DGWA’s management team runs a 25-year track record in trading, investing and analyzing SME’s around the world. It has been so far involved in over 250 IPO’s, financings, bond issues, dual listings and corporate finance transactions, as well as corresponding road shows and awareness campaigns.

DGWA is based in Frankfurt, home of the European Central Bank, centre of Europe’s financial activities and neighbours with various leading and specialized financial institutions – located in the heart of Europe and easily accessible via one of the largest airports in the world.

On behalf of the board of directors of

**ALLIANCE GROWERS CORP.**

*“Dennis Petke”*

Dennis Petke

President and CEO

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**FORWARD LOOKING INFORMATION**

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements or information. More particularly and without limitation, the news release contains forward-looking statements and information relating to the use of proceeds of the Financing, as well as the Company’s corporate strategy. The forward-looking statements and information are based on certain key expectations and assumptions made by management of the Company, including, without limitation, the Company’s ability to carry out its business plan following the issuance of the required licenses by Health Canada. Although management of the Company believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information since no assurance can be given that they will prove to be correct.

Forward-looking statements and information are provided for the purpose of providing information about the current expectations and plans of management of the Company relating to the future. Readers are cautioned that reliance on such statements and information may not be appropriate for other purposes, such as making investment decisions. Since forward-looking statements and information address future events and conditions, by their very nature they involve risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the Company’s ability to identify and complete additional suitable acquisitions to further the Company’s growth as well as risks associated with the medical marijuana industry in general, such as operational risks in development and production delays or changes in plans with respect to development projects or capital expenditures; the uncertainty of the capital markets; the uncertainty of receiving the required licenses, production, costs and expenses; health, safety and environmental risks; marketing and transportation; loss of markets; environmental risks; competition; incorrect assessment of the value of the potential market; ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals and changes in legislation, including but not limited to tax laws and regulated regulations. Accordingly, readers should not place undue reliance on the forward-looking statements, timelines and information contained in this news release. Readers are cautioned that the foregoing list of factors is not exhaustive.

The forward-looking statements and information contained in this news release are made as of the date hereof and no undertaking is given to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws or the Canadian Securities Exchange. The forward-looking statements or information contained in this news release are expressly qualified by this cautionary statement.