

**ALLIANCE GROWERS CORP.**

**NEWS RELEASE**

# ALLIANCE GROWERS IN FINAL STAGE OF COLLABORATION AGREEMENT

# TO DEVELOP FIRST OF ITS KIND BOTANY CENTRE

**September 26, 2016 – Vancouver, B.C. – Alliance Growers Corp. (CSE: ACG**) (“**Alliance Growers**” or the “**Company**”) is pleased to announce that the Company is in an advanced stage of finalizing a Collaboration Agreement for a Canada Exclusive License to jointly develop and operate a Clean Room Certified Lab, (the “Botany Centre”). This 40,000 square foot facility is the first of its kind in Canada to house a DNA Botany lab, extraction facility and Tissue Culture Plantlet Production facility to service the Cannabis market specifically and the agriculture market in general.

Previously the Company entered into an LOI for a license agreement for the Chibafreen Invitro Plant Production System through WPS PharmaGreen Inc. That LOI expired August 31, 2016, and the Company will now be dealing directly with Botanical Research In Motion International Inc. (BRIM) regarding the collaboration and utilization of BRIM’s proprietary technologies. Alliance Growers is working with BRIM to finalize the agreement and, in subsequent news releases, the Company will provide further information to demonstrate to all stakeholders how the Botany Centre will add significant value to the Company.

The Botany Centre, when complete, will total approximately 40,000 square feet and will be developed in phases.  The initial phase of development is anticipated to be approximately 7,000 square feet of lab and office space.  This initial component is the building block to the complete facility, and it will be first to generate revenue.

The Canada Exclusive License to jointly develop and operate a clean room certified facility, includes the following components.

1 - B.R.I.M.’s proprietary “Chibafreen Invitro Plant Production System”

Utilizing its proprietary state of art clean tissue culture lab room design to produce over one million Tissue Culture Plantlets per year. The design is scalable and designed for all flora to serve the entire agriculture industry.

2 - B.R.I.M.’s proprietary Cryotissue Cold Storage

Utilizing the one-of-a-kind Cryotissue Cold Storage technology for tissue culture preservation and regeneration as needed on long term basis.

3 – Extraction Lab

Provide custom profiles for extraction for botanicals oils for retail market.

Provide extraction services as retail services to cultivators.

4 - Botanical DNA Services Laboratory

Certifying plant tissue as the genetic level.

Additional DNA mapping services.

5 - B.R.I.M’s proprietary research for cannabis for large commercial scale micro propagation production when permitted.

Potential revenues from the various components for this size facility are estimated by BRIM as follows.

* The Tissue Culture Lab and Cryotissue Cold Storage, with the custom clean room lab design is scalable and designed for all flora to serve the agriculture industry, up to $500,000 in monthly gross revenue potential.
* Cryotissue Cold Storage, managing up to 5,000 samples at TBD price per month estimated at $10 per month per sample, up to$50,000 in monthly gross revenue potential.
* Revenue from co-development of custom profiles for extraction for botanical oils for retail market, estimated up to $250,000 in monthly gross revenue potential.

The facility will also generate revenue from co-developing products utilizing botanical oils, primarily from cannabis. The details of potential revenue are still under discussion as to proprietary formulations currently being developed and under testing. Revenues may be also be derived from extraction as retail services to cultivators, as we prepare for legalization in Canada. Further potential revenue streams will be disclosed in due course.

To finance the development of the Botany Centre, 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.

Commenting on the Collaboration Agreement, Dennis Petke, Alliance Growers President and CEO said, “We are very pleased to be in the final stage regarding the material terms for the joint development of this one-of-a-kind facility. We believe this facility will significantly add to the value of our company, and complement our current application for licensed MMPR facilities”.

Mr. Petke continued, “In conjunction with the Collaboration Agreement, Alliance is discussing cooperative partnership opportunities involving two potential licensed producers, both of whom have pending MMPR applications. Alliance continues to develop its business model to take advantage of the legalization both in Canada and the US. When it happens, we will be ready. We would like to thank our shareholders for their continued support as we work towards realizing our vision of becoming a successful global cannabis company”.

**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 is finalizing an agreement with Botanical Research In Motion International Inc., for a Canada Exclusive License to jointly develop and operate a 40,000 square foot 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. The proposed facility will grow Cannabis plantlets using proprietary tissue culture propagation, specifically the “Chibafreen Invitro Plant Production System”, which assures consistent composition and purity of each plantlet for the growers. As well, Alliance has been negotiating to obtain exclusive Canadian distribution agreements for certain proprietary products for support of the Cannabis growing industry in addition to possible partnerships with existing MMPR licensed and soon-to-be licensed facilities. 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 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.

**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.

On behalf of the board of directors of

**ALLIANCE GROWERS CORP.**

*“Dennis Petke”*

Dennis Petke

President and CEO

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*THE CANADIAN SECURITIES EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ACCURACY OR ADEQUACY OF THIS RELEASE.*

**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.