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## NEWS RELEASE

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### **ALLIANCE GROWERS ON TRACK FOR SUCCESS IN 2019**

**January 7, 2019 – Vancouver, BC – Alliance Growers Corp.** (CSE: ACG; FWB: 1LA; WKN: A2DFYX; OTCQB: ALGWF) (“Alliance Growers” or “the Company”) is pleased to provide an update of our accomplishments and progress during 2018 and our outlook to a prosperous and fulfilling year of achievements in 2019.

We at Alliance Growers are proud of our accomplishments through 2018. We anticipate further accelerated growth for 2019 and look forward to unveiling all our new developments and successes in the very near future.

“On a global level for the industry, 2019 will be characterized by product innovation,” says Mike Gorenstein, CEO of Canada’s Cronos Group, according to [RollingStone.com](http://RollingStone.com). Alliance Growers will be at the forefront of product innovation via our strategic relationship with Pharmagreen Biotech Inc.

Toward the end of 2018 we completed a strong financing that contributed to bringing in \$1.7 Million, allowing us to advance on our 30% acquisition of the Cannabis Biotech Complex. In 2018 we acquired a Quebec late-stage ACMPR candidate, Biocannatech Inc., to provide an additional revenue stream and for our own supply of flower for CBD oil extraction or decarboxylation; we enjoyed a \$543,000 appreciation in our investment in Canwe Growers Inc. and on November 27, 2018 we received approval from the OTC Markets Group to be listed on the OTCQB Venture Market under the ticker symbol ALGWF.

The Company recently filed its annual financial statements, management discussion and analysis, and certification of annual filings for the year ended August 31st, 2018 (collectively, the “2018 Financials”) on SEDAR. The 2018 Financials reveal that we have increased our assets five times from 2017, while maintaining our liabilities at the same level as last year. The Alliance team managed to accomplish this in one of the most volatile years that the cannabis space has experienced in terms of the stock market. The cannabis market has been victim to recent negative sentiment and uncertainty during the period of transition to a legal environment in Canada on October 17, 2018 and the ever-evolving environment as the rules and regulations continue to evolve in this new legal industry. In short, the Company has been progressing extremely well in terms of business development.

*Commenting on the 2018 year and the year ahead, Dennis Petke, Alliance Growers President and CEO states “Alliance experienced significant growth this past year despite what proved to be a difficult year for the sector. Thanks to our recent successful financing, upcoming financings and continued support of our loyal shareholders, we are taking the Company to the next level in 2019. We will be able to execute upon our projects with our next financings, the first of which is expected to commence in the coming weeks. Alliance Growers has many exciting prospects on the horizon. We look forward to beginning construction of the Cannabis Biotech Complex in Deroche, BC with our partner Pharmagreen Biotech, Inc. We are also moving forward in 2019 with the construction of our ACMPR facilities in Quebec, through our wholly owned, late stage licensed producer applicant, Biocannatech. We look forward to advancing these revenue producing facilities in 2019. We at Alliance Growers wish to thank investors and other stakeholders for their continued support and we wish everyone a prosperous new year.”*

## **The Alliance Growers Strategy**

We at Alliance Growers are working to build a global medical cannabis company that will be where the market is going, not where the market is today. Alliance Growers is focused on two key streams in the cannabis space which are the most sustainable and that are here to stay; the grow stream and the medical CBD Oil stream. In addition, we have other complementary projects to build shareholder value as we continue to build the Company for the long-term. It is truly an exciting time for the cannabis industry and Alliance Growers is well positioned to capitalize on it. A quote from the great Thomas Edison rings very true today for the medical cannabis space, “There were never so many able, active minds at work on the problems of disease as now, and all their discoveries are tending toward the simple truth that you can’t improve on nature”.

The following provides a brief review of some of the Company’s sustainable and high margin revenue streams and other accomplishments that are advancing the Company:

### **BiocannaTech Inc., Quebec**

BiocannaTech is a late stage applicant to become a licensed producer under Health Canada’s access to cannabis for medical purposes regulations (“ACMPR”) in Quebec. Alliance Growers has purchased all of the issued and outstanding shares of BiocannaTech and will supply financing and resources to build out the medical marijuana facility in its leased premises in the Town of Mount Royal, Quebec. Alliance is finalizing on one of three financing options, leaning toward the non-dilutive option of a lease back transaction to build out the facility in preparation for the inspection required to obtain a growing license. Once Health Canada is satisfied with a successful crop, Alliance Growers will be granted its distribution license. Alliance Growers looks forward to a stronger cannabis stock market to advance this valuable asset.

### **Cannabis Biotech Complex**

The Cannabis Biotech Complex continues to evolve and develop as additional engineers were recently added to the team to move the project forward. Design upgrades of the facility have been completed to include the increased handling of 10 Million plantlets per year from previous annual capacity of 3 Million, with expansion designs to increase capacity by an additional 10 Million plantlets per year. As of the date of this news release, Alliance has invested \$1.35 Million towards its 30% interest in the Biotech Complex and have financing arranged through a fund and through private placements to complete the investment.

Alliance Growers and Pharmagreen Biotech Inc. are working to jointly develop and operate a 62,000-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 Cannabis Biotech Complex’s main facility is the Cannabis Biotech Centre which will grow tissue cultured cannabis plantlets to assure consistent composition and purity of each plantlet for the growers. The tissue cultured plantlets are developed utilizing the proprietary “Chibafreen Invitro Plant Production System”, which allows for more tissue cultured plantlets to be produced in less space and less time and a proprietary tissue culture propagation, specifically

### **CBD Dana**

At the forefront of the Cannabis Biotech Complex’s offerings is a proprietary hemp strain “CBD Dana”. Its a unique strain designed and optimized to provide the burgeoning CBD hemp farming sector with the highest quality 100% germ free, disease free, all female hemp starter plantlets.

CBD Dana’s unique hemp properties with low THC (less than 0.3%) and significantly higher CBD content of 14% (per plant), compared to Industrial hemp strains, which contain around 1% CBD, makes it an ideal strain for CBD biomass farming and CBD oil extraction. With the higher CBD

content per plant, this strain has the potential of increasing the yield of CBD per acre by up to 1,400% times that of 1% strain, leading to significantly higher return per acre farmed.

### **Canwe Growers Inc.**

New Maple Holdings Ltd. is the parent company and sole shareholder of New Maple Consulting Inc. and Canwe Growers Inc. (“Canwe”). Canwe is a licensed producer applicant in the enhanced review stage under the ACMPR. Canwe submitted its application to produce and sell cannabis under the ACMPR in July 2017. In January 2018, Canwe received confirmation from Health Canada that it has completed the security clearance stage and that it has entered the final Review stage of the application process. In December 2017, Canwe obtained the necessary permits to begin ground works on its 22-acre site in south-western Ontario, and it expects to receive full site plan approval imminently from the local township. Canwe has retained an experienced project management firm to oversee the design and build of its planned state-of-the-art production facility and is projected to be licensed and operational by early 2019. The original grow team that made MedReleaf the most profitable Licensed Producer in 2016, joined the Canwe team. Due to our strategic relationship, Alliance has access to this grow team.

In February 2018 Alliance closed the final tranche of its initial subscription for 375,000 common shares, 5% of the capital New Maple Holdings Ltd., at the time of that investment. Alliance Growers is very pleased with the growth of this investment and has made a further investment of \$300,000. During 2018 after Alliance Growers completed its first tranche of its investment, there has been strategic work by the engineers to adjust the build-out plans to obtain the Access to Cannabis for Medical Purposes Regulations (the “ACMPR”) license expeditiously.

### **OTCQB Listing**

Alliance Growers received approval from the OTC Markets Group to be listed on the OTCQB Venture Market as of November 27, 2018, under the OTCQB ticker symbol ALGWF. Qualifying for listing on the OTCQB is a significant stepping stone for Alliance Growers. While Alliance Growers currently trades on the Canadian Securities Exchange (symbol CSE: ACG), its new secondary OTCQB listing provides better access to institutional investors and a broader shareholder base. The OTCQB provides solutions to better engage and inform US investors about Alliance Growers.

### **About Pharmagreen Biotech, Inc. and WFS Pharmagreen Inc.**

WFS Pharmagreen Inc. is a wholly owned Canadian based subsidiary of Pharmagreen Biotech, Inc., a publicly traded (OTC PINKS: PHBI) company. WFS Pharmagreen Inc. is a cannabis company that is becoming the largest producer of cannabis plantlets through a proprietary tissue culture process with opportunity to become one of the largest players globally. Pharmagreen’s mission is to advance the technology of tissue culture science and to provide the highest quality 100% germ free, disease free and all genetically the same plantlets of cannabis and other flora while offering full spectrum DNA testing for plant identification, live genetics preservation using low temperature storage for various cannabis and horticulture plants; extraction of botanical oils mainly CBD oil, and to deliver laboratory based services to the North American Cannabis and agriculture sectors. For further information on the company progress on the construction of a 62,000 square foot “Cannabis Biotech Complex” please visit [www.pharmagreen.ca](http://www.pharmagreen.ca)

### **About Alliance Growers Corp.**

Alliance Growers is a Diversified Global Medical Cannabis Company driven by the Company’s ‘Four Pillars’ Organization Plan – Cannabis Biotech Complex, Strategic ACMPR Investments, CBD Oil Supply and Distribution, and Research and Technology.

Alliance Growers is working with Pharmagreen Biotech Inc. advancing a new business partnership, to jointly develop and operate a 62,000-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 Cannabis Biotech Complex's main facility is the Cannabis Biotech Centre which will grow Cannabis plantlets using proprietary tissue culture propagation, specifically utilizing the "Chibafreen Invitro Plant Production System", which allows for more tissue cultured plantlets to be produced in less space and less time.

For further information, please visit the Company's 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](mailto:newsletter@alliancegrowers.com).

For more information contact:

Dennis Petke  
CEO, President and Director  
Tel: 778-331-4266  
[DennisPetke@alliancegrowers.com](mailto:DennisPetke@alliancegrowers.com)

Rob Grace  
Communications Consultant  
Tel: 778-998-5431  
[RobDGrace@gmail.com](mailto:RobDGrace@gmail.com)

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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 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. 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.