



NEWS RELEASE

ALLIANCE GROWERS / PHARMAGREEN HEALTH CANADA APPLICATION ADVANCES TO SECURITY CLEARANCE

February 7, 2019 – Vancouver, BC – Alliance Growers Corp. (CSE: ACG; FWB: 1LA; WKN: A2DFYX; OTCQB: ALGWF) (“Alliance Growers” or “the Company”) is pleased to report that its strategic partner, WFS Pharmagreen Inc. (“Pharmagreen”), the company building the Cannabis Biotech Complex, has been advised by Health Canada that its application under the Cannabis Act and the Cannabis Regulations to obtain a license at the proposed site in Deroche, British Columbia, Canada has advanced from the first stage, ‘Intake and Screening’, of a three stage process, to the second stage, ‘Detailed Review and Initiation of Security Clearance Process’.

Commenting on Pharmagreen’s progress, Peter Wojcik, President and CEO of Pharmagreen Biotech, Inc., (OTC PINKS: PHBI), the parent of its Canadian subsidiary, WFS Pharmagreen Inc., stated, “Our business plan is being rolled out as expected and this is an important and pivotal step in continuing to move the Health Canada cannabis licensing process ahead for the company along with its construction of the one of kind Cannabis Biotech Complex.”

On January 29, 2019, the Company announced the finalization of the definitive agreement Pharmagreen to acquire an equity interest up to 30% in Pharmagreen’s subsidiary BC Ltd. the entity which will build and operate the Cannabis Biotech Complex on the 25-acre property near Mission in British Columbia. This definitive agreement solidifies the terms of the Binding Letter of Intent (“LOI”) between Pharmagreen and Alliance which was first reported on December 28, 2017.

“The rapid advancement of the licensing process with Health Canada has encouraged additional investment in Alliance by way of a private placement with a lead order of 2 million units to be announced in the coming days” commented Dennis Petke, President and CEO of Alliance Growers. “The Company’s commitment to acquire a 30% equity and profit-sharing interest in the Cannabis Biotech Complex has also attracted the interest of a Family Office out of New York with an offer to finance Alliance for up to CAD\$4,000,000. The finalized terms, which will be announced in the following week, will provide the financing in several tranches at progressively higher prices over several months to keep dilution to a minimum. We are very pleased to have secured multiple financing sources to meet our financial obligations to finance our 30% interest in the Cannabis Biotech Complex. Pharmagreen is expected to announce its own financing initiatives in the coming weeks” Dennis Petke added.

Alliance Growers has invested \$1,350,000 toward the Transaction to date, representing an initial 10% equity and profit-sharing interest in the Cannabis Biotech Complex, based on the original estimated construction costs. Alliance Growers has the option to acquire up to 30% of the Complex based on actual final Construction and Equipment Costs. The Parties agreed to enter into an addendum to this Agreement by June 30, 2019 (the “Addendum”), setting out the terms of the final Purchase Price for 30% of the Complex minus the \$1,350,000 already paid.

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. Pharmagreens' 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 63,000 square foot "Cannabis Biotech Complex" please visit 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 63,000-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.

For further information, please visit the Company's website at www.alliancegrowers.com or the Company's profile at 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.

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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.