



NEWS RELEASE

Alliance and Pharmagreen Biotech Provide Development Update on CBD Dana Hemp Strain

December 19, 2018 – Vancouver, BC – Alliance Growers Corp. (CSE: ACG; FWB: 1LA; WKN: A2DFYX; OTCQB: ALGWF) (“Alliance” or “the Company”) is pleased to announce that with the passing of the US 2018 Farm Bill by Congress legalizing the production of hemp, a form of cannabis with THC levels below 0.3%, conjunctively increased the U.S. market size for “CBD Dana” hemp tissue culture plantlets. Cannabidiol, or CBD, is a compound found in cannabis that is popping up all over the U.S. market. Currently, CBD generates \$418 million in sales, with expectations to increase to \$1.6 billion by 2021, according to Brightfield Group.

The Cannabis Biotech Complex, being jointly developed by Pharmagreen Biotech Inc. (“Pharmagreen”) (OTC Venture: PHBI) and Alliance is in the construction phase and slated for completion in Q1 of 2020, is focused on the production of cannabis tissue culture starter plantlets. At the forefront of its offerings is “CBD Dana”, 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.

Pharmagreen CEO, Peter Wojcik, stated, “We are pleased to report extensive research has been completed with respect to “CBD Dana” strain by our R & D strategic partner, Botanical Research In Motion Inc. At this point, CBD Dana is very suitable for CBD hemp farming and with the expected passage of the 2018 Farm Bill into law, making CBD hemp farming legal, reaffirms the company’s strategy for its focus on hemp strains research and development.”

Commenting on the development of the CBD Dana strain, Alliance Growers’ President and CEO, Dennis Petke, stated, “We consider the opportunity to participate in the development and distribution of the CBD Dana strain as a significant component to the Alliance revenue model. The upcoming pilot grows across Canada in 2019, will determine the best grow environments for the CBD Dana strain. Having Dr. Afreen confirm the CBD Dana protocols and test results, gives Alliance the confidence that CBD Dana will be a significant competitor in the commercial hemp space”

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

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 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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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.