



ALLIANCE GROWERS CORP.

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NEWS RELEASE

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**ALLIANCE GROWERS ENGAGES GROUPE ICORE TO BEGIN CONSTRUCTION  
ON EXPANDED QUEBEC ACMPR FACILITY**

**October 18, 2018 – Vancouver, B.C. – Alliance Growers Corp. (CSE: ACG; FWB: 1LA; WKN: A2DFYX; OTC: ALGWF)** (“Alliance Growers” or the “Company”) is pleased to announce that the Company has engaged Groupe Icore to manage the construction of the Company’s Quebec facility undertaking an Access to Cannabis for Medical Purposes Regulations (“ACMPR”) application via BiocannaTech, the Company’s wholly owned subsidiary located in Ville Mont Royal, Quebec. Alliance has leased the adjacent building for Phase 2 expansion on favourable terms. These two buildings are the only two locations in the Town of Mount Royal (“TMR”) that are permitted for marijuana production now that a moratorium on granting further cannabis-related industries to operate within the Township.

The Company benefits from leasing the adjacent property in two primary ways. Firstly, the two buildings can be joined to form one continuous facility thus yielding certain construction cost efficiencies. Secondly Phase 2 features a loading dock and approximately 2,000 square feet of administration space, thus increasing the amount of grow space in Phase 1, as the portion allocated for admin will no longer be required. The section that joins the two buildings is designed to provide a second loading dock. Visit [www.alliancegrowers.com](http://www.alliancegrowers.com) to view the architectural renderings of the expanded facility.

In addition to the completion of the architectural design plans, the completion of the permits and the commencement of demolition for Phase 1, announced September 27, 2018, Group Icore has procured a custom, high-quality heating, ventilation and air conditioning (“HVAC”) system, to further ensure the facility is equipped to cultivate the best quality cannabis.

Through the Company’s strategic partner, Canwe, Alliance has access to the original grow team that developed and implemented the system that made MedReleaf one of the single most profitable Licensed Producers in Canada. The main advantage to utilizing one of the best grow teams in Canada is that it maximizes BiocannaTech’s ability to become a low-cost producer of high-quality product for distribution to both medical and recreational customers.

***Dennis Petke, President and CEO of Alliance Growers commented: "Having a company with a reputation for quality and for keeping projects within the proposed budget, like Group Icore, greatly increases our ability to meet construction timelines and manage costs at what we expect to result in world-class facilities. Dennis Petke further commented on legalization of adult-use cannabis in Canada "Alliance is fortunate to be a cannabis company in Canada, the first G-7 country to be forward thinking enough to make the legalization of recreational cannabis happen nationwide in a timely manner. Alliance Growers is well positioned to take full advantage of this legislation through an increased customer base for tissue culture plantlets, sales of flower and CBD products. The advantages of legalization are that it opens a retail market in addition to a medical market, loosens regulatory restrictions for access, expands distribution and expands the industry to billions of dollars. The cannabis industry will now evolve at a very quick pace. Today’s decision on legalization is another step forward for our Company as we continue to take Alliance Growers to where the cannabis market is going and not where it is today."***

The Health Canada ACMPR authorizes licenses required for cultivating and processing cannabis, the sale of cannabis for medical purposes and analytical testing and research in relation to cannabis. Applicants

must clear a series of stages to ultimately receive such licenses. Now that the ACMPR “Ready to Build” stage has been reached by BiocannaTech, the process to officially commence development of the BiocannaTech facility infrastructure is now fully underway.

To recap, the progression of development at the BiocannaTech facility will take place in 3 phases:

#### **Phase 1- 10,000 sq. ft existing facility**

- Alliance Growers will provide financing and other resources to build out its wholly-owned subsidiary, BiocannaTech’s medical marijuana facility in the town of Mount Royal, Quebec, in preparation for the inspection from Health Canada.
- construction plans include a retro fit of the existing building that was previously used for cold storage. This is ideal as insulated panels are already in place.
- there is no need to allocate permanent space for a “mother” room as Alliance Growers will be providing plantlets in late 2019 to the facility from its Cannabis Biotech Complex in Deroche, BC.
- permits for construction are now in place, with estimated completion by mid-January 2019
- estimated license to produce for first cultivation targeted for the end of February 2019, with presales inspection by mid April 2019.

#### **Phase 2- 17,000 expansion**

- Alliance Growers has signed the lease to acquire another 17,000 square feet in a second building, including 15,000 for growing and 2,000 for existing offices, which includes a full loading/shipping dock.
- the second building is directly adjacent to the existing facility and will be connected to add more space and improve operating efficiency.

#### **Phase 3- Additional ACMPR licenses in other Provinces**

- After receiving the ACMPR in Quebec, Alliance Growers is planning an application for an ACMPR license in BC, and potentially Alberta as well.

#### **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 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.

Through its wholly owned subsidiary, BioCannaTech Alliance is in the final expedited phase of Health Canada’s “Access to Cannabis for Medical Purposes Regulations” (ACMPR) approval for the production and sales of Medical Marijuana. BioCannaTech Inc. has a leased a 10,000 square foot facility in Mont-Royal, Québec with permits in place from the municipality to renovate the facility. Initial expansion plans include an adjacent 17,000 square foot facility, comprised of 15,000 square feet of growing space, and 2,000 square feet of existing offices and a full loading/shipping dock.

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).

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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.

