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**ALLIANCE GROWERS CORP.**

**NEWS RELEASE**

**ALLIANCE GROWERS TO ACQUIRE QUEBEC LATE STAGE ACMPR APPLICANT**

**January 2, 2018 – Vancouver, B.C. – Alliance Growers Corp. (CSE: ACG; FWB: 1LA; WKN: A2DFYX**) (“**Alliance Growers**” or the “**Company**”) is pleased to report that it has entered into an exclusive agreement to acquire a late stage licensed producer applicant, Biotech Canna, to become a licensed producer under Health Canada’s access to cannabis for medical purposes regulations (“ACMPR”) in Quebec. Alliance Growers will supply financing and resources to build out the medical marijuana 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.

This is a key acquisition for Alliance Growers and its shareholders, as it allows the company an opportunity to become a licensed producer in the province of Quebec and gain an in-road to provide tissue culture plantlets to all licensed producers in Quebec.

There are several key points of value that are unique and advantageous to a Quebec license that include:

- 20% of Canada population is in Quebec

- Only 2 licenses have been approved in Quebec with only 1 producing (Hydropocathary).

- Quebec government has always looked to attain 25% of whatever Canada’s intentions are with business. They have publicly stated they want Health Canada to process all the licenses- 16 Applications - in Quebec and have the applications approved swiftly.

- Quebec will only purchase the supply from Quebec growers, they won’t go outside to other provinces for supply if they don’t need to.

The initial Biotech Canna facility is 10,000 sq. ft. and is attached to a 120,000-sq. ft. warehouse for expansion. Biotech Canna will produce up to 1,000 kg per year and will increase that output in Phase 2 of expansion”.

Alliance Growers is making an initial payment of $100,000 and $150,000 in stock. Alliance Growers will acquire 100% of the Quebec late stage licensed producer applicant in stages for a total consideration of $8 Million - cash consideration of $600,000 and $7.4 Million in stock at a deemed value of $1/share, the final payment of $500,000 in Alliance stock to be released from escrow upon Health Canada ACMPR approval.

Commenting on the acquisition of a Quebec late stage licensed producer applicant, Dennis Petke, Alliance Growers’ President and CEO, stated “Management of Alliance Growers continues to carry out our mandate to build a diversified global cannabis company that will be where the market is going, not where the market is today. Alliance Growers is focused on two primary 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. To optimally drive Alliance Growers growth and stature in the grow space, we have determined that acquiring a Quebec license would be both a key driver to success and a key pillar in Alliance’ strategic business plan.”

**About Alliance Growers**

Alliance Growers Corp is a diversified cannabis company driven by the Company’s ‘Four Pillars’ Organization Plan – Cannabis Botany Centre, Strategic ACMPR Investments, CBD Oil Supply and Distribution, and Research and Development.

Alliance Growers has finalized its a new business partnership with WFS Pharmagreen Inc., 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 Cannabis Botany Centre 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.

Further, Alliance Growers has been negotiating to obtain other exclusive Canadian distribution agreements for certain proprietary products for support of the Cannabis growing industry in addition to possible partnerships with Licensed Producer Applicants at various stages in the Health Canada License process.

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](mailto:newsletter@alliancegrowers.com).

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 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.