

**ALLIANCE GROWERS CORP.**

**NEWS RELEASE**

**ALLIANCE GROWERS PROVIDES FINANCING UPDATE**

**May 1, 2017 – Vancouver, B.C. –** Alliance Growers Corp. **(CSE: ACG; FWB: 1LA; WKN: A2DFYX**) (“**Alliance Growers**” or the “**Company**”) is pleased to provide an update on our financing initiatives for its shareholders and potential new investors. The Company has initiated various financing initiatives to execute on its business plan to develop its business strategy that differentiates Alliance Growers from other Canadian Cannabis companies.  Management wants to assure the shareholders that the Company is making tremendous progress on its funding requirements to develop the Cannabis Botany Centre and complete other strategic investments and partnerships.

**Private Placement Financing**

On April 7, 2017 Alliance Growers announced a non-brokered private placement (the “Private Placement”) of up to 3,800,000 units (the “Units”) at a price of $0.11 per Unit, for gross proceeds of up to $418,000.  Each Unit is comprised of one common share and one share purchase warrant. Each share purchase warrant will entitle the holder to acquire one additional common share in the capital of the Company at a price of $0.21 per share, for a period of two years from the date the Units are issued.

Commenting on the private placement, Dennis Petke, Alliance Growers’ President and CEO said, “This Private Placement gets Alliance back on track to secure the land for the Cannabis Botany Centre and move all of our projects forward. This private placement represents a tremendous opportunity for investors to participate at a very attractive price and at a very opportune time. We anticipate closing most or all of the financing within the next two weeks as demand has been very strong. We have commitments for 3 million of the 3.8 million units.”

**Alumina Partners Equity Financing**

On April 6, 2017 Alliance Growers announced the execution on the term sheet for a financing commitment offered by Alumina Partners LLC, a New York-based private equity firm, for a $5 Million equity facility in a series of private placements, with an option to extend the commitment up to $10 million over the next two years.

The Company is closing the first tranche of the offering by issuing 1,000,000 units at an issuance price of 10.5 cents per unit for $105,000, whereby each unit consists of one common share and one share purchase warrant, exercisable at $0.21 per share for a period of two years.

Commenting on the private placement, Dennis Petke said, “We are very fortunate to have received the strong vote of confidence from Alumina. The fact that they share our view of where the cannabis market is going is a significant endorsement of our longer term business strategy. Closing on the first drawdown of the Equity Facility with Alumina Partners in conjunction with the commitments from individual investors and brokerage firms in our Private Placement is going to kick off the next critical phase of taking Alliance Growers to the next level, creating value for the Company and its shareholders.”

**ACMPR License Application**

On March 21, 2017 Alliance Growers reported that the Company is in negotiations to acquire a majority interest in BC Maramed Production Ltd. (“BCMM”), which has submitted an application to become a Licensed Producer of medical marijuana under Health Canada’s Access to Cannabis for Medical Purposes Regulations (“ACMPR”). Alliance Growers currently holds a 50% interest in BCMM, which owns a leasehold interest and equipment for an 11,000-square foot production facility in Kelowna, British Columbia. BCMM, has received and has replied to the Department of Health Canada on the ACMPR application regarding, various security and other application related matters, and the process is ongoing.

Alliance Growers is negotiating with certain owners of the other 50% of BCMM to secure majority ownership and take control of the Application Process. This includes engaging an external specialist to assist in the application process. The Company is confident that once it controls the application process, utilizing specialists with the expertise in the industry combined with the high commercial standards of the production facility that the application will be in full compliance with Health Canada requirements for a full commercial ACMPR license.

**Cannabis Botany Centre**

The first priority of the proceeds of the financing is to secure the land for the Cannabis Botany Centre and begin the application for the related ACMPR license.

B.R.I.M. and Alliance Growers are jointly committed to their partnership and look forward to development of the Cannabis Botany Centre, together with additional partnerships and investments that are designed to provide Alliance Growers with the following:

* Produce revenue from the sale of cannabis and other plantlets, under contract;
* Generate revenue from the processing and resale of cannabidiol (CBD) oil in Canada, USA and offshore;
* Providing cold storage facilities utilizing the one-of-a-kind Cryo-tissue Cold Storage technology for tissue culture preservation and regeneration as needed on long term basis.
* Provide extraction services as retail services for cultivators and create custom profiles for extraction for botanicals oils for retail market.

**First strategic investment in a private Medical Cannabis Company**

Through a serious of strategic partnerships and investments under negotiation with Licensed Producers at various stages in the license process, Alliance Growers is focused on securing long term plantlet sale contracts for the Cannabis Botany Centre and off-take agreements at wholesale cost for flower to be acquired by Alliance Growers for CBD oil extraction.

On February 21, 2017 Alliance Growers announced the closing of the first tranche of instalment of its subscription for common shares in New Maple Holdings. Ltd. (“**New Maple”),** the parent company of Canwe Growers Inc. (“**Canwe**”). Canwe (www.canwe.ca) is an Ontario-based company preparing to apply for a producer’s license under the *Access to Cannabis for Medical Purposes Regulations* (the “**ACMPR**”). Canwe has access to a 22 acre property 1.5 hours north-west of Toronto, where it plans to build a facility focused on producing clean, premium quality cannabis. Canwe has amassed a stellar team which includes licensed producer MedReleaf Corp.’s former Head Grower and his number two aide, both of whom are expert cannabis growers who intimately know the cannabis cultivation cycle from seed to sale. With Alliance Growers’ four-pillar strategy and Canwe’s experienced team, the two companies plan to work together to form business synergies with the goal of creating a strong presence in Canada’s fast-growing medical cannabis space.

In conjunction with the investment, New Maple and Alliance Growers intend to have a business arrangement for the purchase and sale between the parties of live cannabis plants, tissue culture plantlets and other cannabis products and services subject to applicable law and the availability of products between the parties.

**Joint Venture with Israeli Medical Cannabis Company**

Further to the company’s commitment to become a leading supplier of pharmaceutical grade CBD oil on a global basis, Alliance Growers are negotiating terms with an Israeli medical cannabis company for a significant equity investment which will lead to a significant portion of their high grade CBD production.

Included in the discussions is the joint development of land for the growth of high quality cannabis plants, as legally permitted in an offshore, low operating cost jurisdiction.  This would facilitate the importation of the CBD oil into various states in the USA, into Canada when legalized, and into other countries as permitted.

This joint venture and other similar partnerships is what will make Alliance Growers stand out from other Canadian Cannabis companies that are directly affected by Health Canada rules and regulations.  Alliance Growers plans to produce and sell more CBD oil from outside Canada.

Commenting on the Alliance Grower’s progress, Dennis Petke said, “We are tremendously excited with the recent progress at Alliance Growers and management is thrilled to be on the precipice of executing on our land acquisition and development of the highly anticipated B.R.I.M. project. It has been a journey of many small steps and now we enter a period of giant leaps. We are considering utilizing preferred shares to finance our asset acquisitions and thus far we have received a favourable response especially with regard to financing the land and building for the Botany Centre. Since the announcement of the MOU, we have identified several properties that are ideal locations upon which to construct the Cannabis Botany Centre. In addition, B.R.I.M. and Alliance Growers have identified several significant additional revenue streams in both the Medical and Recreational Cannabis sectors, that we are very excited to begin implementing upon the closing of our current round of funding, which has attracted a lot of attention in this explosive space.”

Mr. Petke continued, “Alliance Growers continues to develop its business model to take advantage of the announced legalization of Recreational Cannabis in both in Canada and the US. We continue advancing the Company on many fronts, including joint ventures with Licensed Producers for flower and Pharmaceutical grade CBD oil. We would like to thank our existing shareholders and all new investors for their continued support as we work towards becoming a leading global cannabis company.”

**About Alliance Growers Corp.**

Alliance Growers Corp is a global diversified cannabis company driven by the Company’s ‘Four Pillars’ Organization Plan – Cannabis Botany Centre, Strategic ACMPR Investments (Access to Cannabis for Medical Purposes Regulations), CBD Oil Supply and Distribution, and Research and Development.

Alliance Growers has executed an agreement with Botanical Research In Motion International Inc., for a Canada Exclusive License 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.

Alliance Growers has rights to 50% of BCMM, a late stage applicant that submitted its ACMPR Application to Health Canada in 2014, and is also making a strategic investment in another private Company preparing to apply for an ACMPR producer’s license. Additionally, the Company is investing in several cannabis industry participants, ranging from co-developing a Cannabis App for use by the cannabis industry and its markets, to negotiating business arrangements with several companies for the purchase and sale between the parties of live cannabis plants, tissue culture plantlets and other cannabis products and services.

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

On behalf of the board of directors of

**ALLIANCE GROWERS CORP.**

***“Dennis Petke”***

**Dennis Petke**

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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.