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**ALLIANCE GROWERS CORP.**

**NEWS RELEASE**

# ALLIANCE GROWERS FINANCING AND PROJECT STATUS UPDATE

**February 14, 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 projects that will ultimately make Alliance Growers a successful global cannabis company. Our main strategy entails setting the Company up for success by taking it to where the cannabis industry will be in the future.

**$5 Million to $10 Million Equity Facility with Private Equity Firm**

In addition to the current private placement, Alliance is currently negotiating terms on an equity facility to meet our capital requirements for the following projects.

**Property Identified for Cannabis Botany Centre**

BRIM and Alliance have identified a property upon which to build the 40,000 square foot Cannabis Botany Centre. It consists of 40 acres of land in Miracle Valley, east of Mission, with the potential to develop up to 1 million square feet of facility space. This property has zoning that is approved for Health Canada Licensed Producer facilities. Thanks to the tremendous potential in the cannabis space, we now have multiple options to finance the purchase of the land and the construction of the facility.

**Strategic alliances and investments in Licensed Producer Applicants**

Through a serious of strategic alliances and investments in Licensed Producers at various stages in the license process, Alliance Growers is focused on securing long term plantlet supply contracts for the Cannabis Botany Centre and off-take agreements at wholesale cost for flower to be used for cannabidiol (CBD) oil extraction.

Later this week, Alliance Growers will announce the final terms on a 5% non-dilutive interest in a private company in Ontario that has assembled a top tier growing team with management that has the expertise to expedite the license producer application process.

Additional Licensed Producer Applicants have approached Alliance looking to partner with a public company and negotiations are ongoing.

**Permits secured by 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 continues discussions setting out terms for an equity investment and/or joint venture with an Israeli medical cannabis company.

Last week the Company was informed that all permits were in place on 45-50 hectares of land for the growth of high quality cannabis plants in an offshore, low operating cost jurisdiction. The Israeli medical cannabis company brings first-class technology for production and processing based on Israeli technology in addition to specific strains and processing knowhow.

This would facilitate the importation of the CBD oil into various states in the USA, into Canada when legalized, and into countries like Germany, now that the laws have changed. We expect many more European countries to follow suit in the months to come.

The Hemp Business Journal reports that the CBD market is growing at a rate of 30% per annum, and forecasts that sales of CBD oils from marijuana-based sources are expected to reach $1,650,000,000, or 79% of the total CBD Market of $2,100,000,000 by 2020. And this is in the USA only.

Dennis Petke, Alliance Growers’ President and CEO, stated “We are very excited to be able to take advantage of the equity facility to be able to execute on our business plan. The equity firm we are negotiating with has financed other well-known Canadian cannabis companies in the past 2 years. Over time we expect new investors and our shareholders to begin to see that we are building a truly global cannabis company, and this is what makes Alliance Growers stand out from other Canadian cannabis companies whose entire business is directly affected by Health Canada rules and regulations.”

**About Alliance Growers Corp.**

Alliance Growers Corp is a diversified cannabis company driven by the Company’s ‘Four Pillars’ Organization Plan – Cannabis Botany Centre, Strategic MMPR Investments, 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.

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 the use of proceeds of the Financing, as well as the 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 following the issuance of the required licenses by Health Canada. 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.