

FORTIFY RESOURCES INC.

Fortify Resources Inc. Enters into a Letter of Intent with DV Infrastructure Corp.

Vancouver, Canada – August 18, 2017 – Fortify Resources Inc. (CSE: FTY) (“Fortify” or the “Company”) announces that it has entered into a letter of intent dated August 17, 2017 (the “LOI”) with DV Infrastructure Corp. (“DVI”) regarding a proposed transaction to acquire all of the issued and outstanding securities of DVI (the “Transaction”). The Company will have until November 30, 2017 to conduct due diligence on DVI, with a view to negotiating the terms of a definitive agreement (the “Definitive Agreement”) in order to complete the Transaction.

About DV Infrastructure Corp.

DVI is engaged in the business of investing, constructing, owning and leasing mega greenhouse projects to provide turn key real estate solutions for lease to licensed cannabis producers and processors who have best in class operations and brands.

DVI, Sentinel Property Management LTD. and Stratto, LLC are parties to a joint venture agreement, DVG LLC (“DVG”) dated August 17, 2017 (the “JV Agreement”) pursuant to which, DVI holds a 30% interest in DVG, a limited liability company constituted under the laws of Washington State that holds a lease with an option to purchase four acres of land located in Moses Lake, Washington (the “Property”).

Moses Lake, Washington has some of the lowest cost power available in Washington State and the Property that is being developed is zoned for commercial cannabis production.

DVG has commenced site preparation for construction on its greenhouse project at the Property (the “Agri-Campus”), which will consist of 12 separate greenhouses with a total of 43,680 square feet of canopy for lease to producers/processors. It is estimated the Agri-Campus will cost DVI between \$1.0-\$2.0 Million USD, and will be provided under a loan agreement. DVI will receive preferential pay back on capital at a rate of 60% of the profits of DVG until it has recouped the entirety of its investment. Stratto, LLC for its interest in DVG pursuant to the JV Agreement, will be responsible for introducing two production/processing licensees to enter lease, equipment rental, management, and licensing contracts with DVG, with the intention that those licenses will become DVG’s newest ‘tenant-growers’. Once DVI has recouped all its loan investment it will earn income from DVG equal to 30% of the lease, equipment rental, management fees, and licensing revenue charged to tenant growers. The proprietary light deprived / light supplemented greenhouse project will provide tenant growers an opportunity to grow an indoor quality product at close to outdoor costs.

Based on similar greenhouse experience, Stratto, LLC estimates that the prospective tenant-growers will have a total potential yield of over 24,000 pounds annually (10,886 kilos) at the Property.

The Transaction

Subject to the execution of a Definitive Agreement, the Company proposes to acquire all of the issued and outstanding common shares of DVI in exchange for common shares of the Company (the “Payment Shares”). The Payment Shares would be issued to the shareholders of DVI on a pro-rata basis based on a 1:1 ratio. Pursuant to the Transaction, the shareholders of DVI will become shareholders of the Resulting Issuer. In addition, all of the outstanding common share purchase warrants of DVI will, subject to the rules of the Canadian Securities Exchange (the “CSE”), be exchanged for common share purchase warrants of the Company based on a 1:1 ratio and on the same economic terms and conditions as previously issued.

On or before the closing of the Transaction, it is proposed that DVI will complete an equity financing (the “**Concurrent Financing**”) by way of a non-brokered private placement relying on the prospectus exemptions pursuant to National Instrument 45-106 or other applicable laws, rules and regulations to raise a minimum of \$1,500,000 and up to a maximum of \$3,000,000 at an intended price of \$0.10 per unit (each a “**Unit**”). Each Unit will consist of one common share and one-half of a common share purchase warrant. Each full warrant will entitle the holder to purchase an additional common share at the price of \$0.20 per share for a period of twenty-four (24) months from the closing of the Transaction. Should the Company’s share price trade at \$0.40 per share for 5 consecutive trading days then the Company will have the option to give notice to the warrant holders to accelerate the exercise of the warrants within 10 days or the warrants will expire.

The Transaction is conditional upon, among other things:

- i. the parties will have received all necessary regulatory and third-party consents, approvals and authorizations as may be required in respect of the Transaction, including, but without limitation, acceptance of the Exchange;
- ii. completion of due diligence to the satisfaction of the parties;
- iii. approval of the board of directors of each of Fortify and DVI to final terms and conditions of the Transaction as set forth in the Definitive Agreement and all other necessary matters related thereto prior to the signing of the Definitive Agreement;
- iv. the signing of the Definitive Agreement;
- v. completion of all matters, and the satisfaction of all conditions (unless waived in writing), under the Definitive Agreement required to be completed or satisfied on or before closing of the Transaction including but not limited to completion of the Concurrent Financing; and
- vi. the shareholders of DVI will have approved the Transaction.

It is intended that the Company will be named “Dope Ventures Corp” or such other name as the parties and the CSE may reasonably agree upon.

Additional Information

Further details regarding the proposed Transaction and the combined entity will be provided in a comprehensive press release if and when the parties enter into a Definitive Agreement. If completed, the Transaction will constitute a “Fundamental Change” pursuant to CSE policies.

The Definitive Agreement will incorporate the principal terms of the Transaction described herein, and in addition, such other terms and provisions of a more detailed structure and nature as the parties may agree upon after receiving further tax, legal and financial advice from their respective advisers. However, there is no assurance that the Definitive Agreement will be successfully negotiated or entered into.

For further information, please contact:

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This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein in the United States. The securities described herein have not been registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state

securities law and may not be offered or sold in the “United States”, as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration requirements is available.

Forward-Looking Information

Completion of the Transaction is subject to a number of conditions, including but not limited to, CSE acceptance and, if applicable, pursuant to the requirements of the CSE, shareholder approval. There can be no assurance that the Transaction will be completed as proposed or at all.

Trading in the securities of the Company should be considered highly speculative.

All information in this news release concerning DVI has been provided for inclusion herein by DVI. Although the Company has no knowledge that would indicate that any information contained herein concerning DVI is untrue or incomplete, the Company assumes no responsibility for the accuracy or completeness of any such information

Investors are cautioned that, except as disclosed in the listing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon.

Certain statements included in this press release constitute forward-looking information or statements (collectively, “forward-looking statements”), including those identified by the expressions “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend”, “may”, “should” and similar expressions to the extent they relate to the Company or its management. The forward-looking statements are not historical facts but reflect current expectations regarding future results or events. This press release contains forward looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors.

Statements about the execution of a Definitive Agreement, closing of the Transaction, expected terms of the Transaction, the number of securities of the Company that may be issued in connection with the Transaction, the ownership of the Company, the requirement to obtain shareholder approval, if applicable, the terms of and the completion of the Concurrent Financing, and the parties’ ability to satisfy any and all other closing conditions, and receive necessary regulatory and CSE approvals in connection therewith, the construction of the Agri-Campus, anticipate costs and the ability to achieve goals, the potential cannabis yield and the repayment of the loans, are all forward-looking information. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future, including, anticipated costs, and the ability to achieve its goals. Factors that could cause the actual results to differ materially from those in forward-looking statements include, failure to obtain regulatory approval, the continued availability of capital and financing, and general economic, market or business conditions, changes in legislation and regulations, increase in operating costs, equipment failures, failure of counterparties to perform their contractual obligations, litigation, the loss of key directors, employees, advisors or consultants and fees charged by service providers. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, there can be no assurance that the

Transaction will occur or that, if the Transaction does occur, it will be completed on the terms described above. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law. Readers should not place undue reliance on the Company's forward-looking statements. Neither the CSE nor its regulation services provider accepts responsibility for the adequacy or accuracy of this news release.

There can be no assurance that the proposed Transaction or private placements will be completed or, if completed, will be successful.

The forward-looking statements contained in this news release are made as of the date of this news release. Except as required by law, the Company disclaims any intention and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Additionally, the Company undertakes no obligation to comment on the expectations of, or statements made by, third parties in respect of the matters discussed above.

(Not for dissemination in the United States of America)