

## MAZORRO PROVIDES UPDATE ON PROPOSED ACQUISITION OF GROWPROS MMP AND CLARIFIES DETAILS REGARDING ITS DIVERSIFICATION INTO THE MEDICINAL MARIJUANA SECTOR

Ottawa, Ontario - (Marketwired – September 5, 2014) - Mazorro Resources Inc. (the “**Company**”) (CSE:MZO) (Frankfurt:JAM) announces that as a result of a continuous disclosure review by staff of the Ontario Securities Commission, the Company is issuing this clarifying news release with respect to the previously announced proposed acquisition of all of the issued and outstanding securities of 8816301 Canada Inc., also known as GrowPros MMP (“**GrowPros**”), a medical marijuana consultation and acquisition firm (see Press Releases dated June 16, 2014 and July 16, 2014).

The Company and GrowPros continue to work toward the signature of a binding definitive agreement, however there is no guarantee that such an agreement will be entered into or that the Company will ultimately complete the proposed acquisition of GrowPros. In addition, the Company wishes to highlight the following with respect to its stage of entry into the medical marijuana business as well as the associated risks.

- GrowPros has not yet submitted an application to Health Canada for a license under *Marihuana for Medical Purposes Regulations* (“**MMPR**”). GrowPros is currently completing its application and it is anticipated that the application will be submitted to Health Canada in the coming weeks.
- Production of medicinal marijuana in Canada is regulated pursuant to the MMPR. Any applicant seeking to become such a producer is subject to the stringent licensing requirements of Health Canada, which would be applicable in the event that either the Company, GrowPros, or any other entity the Company may invest in applies for or acquires a license. These licensing requirements include the significant infrastructural requirements of attaining and maintaining a license such as an indoor growing facility with physical barriers, visual monitoring, recording devices, intrusion detection, air filtration systems, as well as other important controls around distribution and access, among others. In addition, and as specified in the MMPR, once a license is issued, a holder of a producer licence must comply with a number of ongoing requirements, including (i) physical security and storage measures, (ii) good production practices, and (iii) proper packaging, labelling and shipping practices. Furthermore, in order to obtain and maintain a licence, a licensee must ensure that it complies with the terms of its other permits and ancillary licences such as the import or export permit from the Minister of Health, as well as ensuring that all of its management and designated personnel have passed the security clearance provided for under MMPR. The Company has been advised by GrowPros and its management team that, in light of their prior experience, they do not anticipate any difficulty complying with the above-mentioned initial and ongoing requirements.
- The timeframes and costs required for GrowPros or any MMPR applicant to build the infrastructure required to apply for, and to receive, an MMPR license can be significant. Estimates of the timeframe and costs cannot be reliably determined at this time given that GrowPros is at the preliminary stage in the license application process and has not yet submitted their application. The current backlog of applications from other licensees with Health Canada and the anticipated timeframe for processing and approval of any application cannot be reliably determined at this time. However, in preparing its licence application under MMPR, GrowPros advises that it has retained the appropriate professionals, including an architect for the plans for the production facility and a security consultant, to supplement the substantial experience of the

existing GrowPros management team. In addition, GrowPros has secured an option on 190 acres of land in Low, Quebec (North of the City of Gatineau) which is intended to be the site of the production facility, if licensed. Once GrowPros submits the application and if a "ready-to-build" approval is obtained, GrowPros intends to build out the production facility (in accordance with the plans submitted with its application) and then obtain the production licence (assuming the facility is built as approved by Health Canada).

- Any MMPR applicant, including GrowPros, will not be able to legally grow or sell medical marijuana without a license from Health Canada.
- Ultimately, in the process of meeting all licensing requirements, a facility meeting the rigorous requirements of Health Canada must be available for inspection by Health Canada before any license can be granted.
- Additional risk factors associated with the medical marijuana business are disclosed in the Company's Canadian Securities Exchange (the "CSE") Listing Statement (beginning at page 69) which is available on the Company's SEDAR profile.

Although the Company's Board of Directors has approved the Company's general plan to diversify its business into other industry sectors outside of the junior resource sector, formal Board of Director approval of the GrowPros acquisition remains subject to the finalization of the binding definitive agreement with GrowPros. As previously disclosed, the acquisition of GrowPros may result in a Fundamental Change (as defined in Policy 8 of the CSE), thereby requiring, among other things, the approval of the Company's shareholders.

There is currently no assurance that the proposed GrowPros acquisition or any other transactions for prospective projects in the medicinal marijuana industry will be successfully completed.

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#### **Forward-looking statements**

*Some statements in this release may contain forward-looking information. All statements, other than of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding potential acquisitions and financings) are forward-looking statements. Forward-looking statements are generally identifiable by use of the words "may", "will", "should", "continue", "expect", "anticipate", "estimate", "believe", "intend", "plan" or "project" or the negative of these words or other variations on these words or comparable terminology. Forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's ability to control or predict, that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things, without limitation, the possibility that future exploration results will not be consistent with the Company's expectations, changes in world gold markets or markets for other commodities, inability of the Company to achieve its diversification strategy (including, without limitation, the proposed acquisition of GrowPros); failure to obtain sufficient financing, and other risks disclosed in the Company's public disclosure record on file with the relevant securities regulatory authorities. Any forward-looking statement speaks only as of the date on which it is made and except as may be required by applicable securities laws; the Company disclaims any intent or obligation to update any forward-looking statement.*



**September 5, 2014**  
**For 4:00 pm Release**  
**MZO: CSE**

*The Canadian Securities Exchange (CSE) has not reviewed this news release and does not accept responsibility for its adequacy or accuracy*