

NEWS RELEASE

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CannaRoyalty Closes \$15 Million Bought Deal Offering

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Ottawa, Canada – February 15, 2017 – CannaRoyalty Corp. (CSE: CRZ) (“**CannaRoyalty**” or the “**Company**”) announces that it has closed its previously announced offering of an aggregate of 5,000,000 units (the “**Units**”) at a price of \$3.00 per Unit, for aggregate gross proceeds to CannaRoyalty of \$15,000,000 (the “**Offering**”). The Offering was completed by a syndicate of underwriters led by Canaccord Genuity Corp.

Each Unit comprises one common share of CannaRoyalty (a “**Common Share**”) and half of one Common Share purchase warrant (each whole Common Share purchase warrant, a “**Warrant**”). Each Warrant will be exercisable to acquire one Common Share (a “**Warrant Share**”) for a period of 2 years at an exercise price of \$4.50 per Warrant Share. The Warrants will be subject to a 21-day forced exercise provision if CannaRoyalty’s daily volume weighted average share price is greater than \$6.00 for 15 consecutive trading days following closing.

“The CannaRoyalty business model is providing many exciting growth opportunities. The proceeds from this offering are in large part for acquisitions and investment in these opportunities in addition to continued funding of our existing holdings, and working capital purposes,” said Marc Lustig, Chief Executive Officer of CannaRoyalty.

The Units were offered and sold by way of a short form prospectus filed in each of the provinces of Canada, excluding the province of Quebec. The securities issued pursuant to the Offering have not been, nor will they be, registered under the United States *Securities Act of 1933*, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This press release will not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

About CannaRoyalty

CannaRoyalty is a fully integrated, active investor and operator in the legal cannabis sector. Our focus is to build and support a diversified portfolio of growth-ready assets in high-value segments of the cannabis sector, including research, consumer brands, devices and intellectual property. Our management team combines a hands-on understanding of the cannabis industry with seasoned financial know-how, assembling a platform of holdings via royalty agreements, equity interests, secured convertible debt and licensing agreements.

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Forward Looking Statements

Statements in this news release that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed here and elsewhere in CannaRoyalty's periodic filings with Canadian securities regulators. When used in this news release, words such as "will, could, plan, estimate, expect, intend, may, potential, believe, should," and similar expressions, are forward-looking statements.

Forward-looking statements may include, without limitation, statements including the Company's anticipated use of proceeds and other statements of fact.

Although CannaRoyalty has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those contained in the forward-looking statements, there can be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended, including, but not limited to: dependence on obtaining regulatory approvals; investing in target companies or projects which have limited or no operating history and are engaged in activities currently considered illegal under U.S. Federal Laws; changes in laws; limited operating history; reliance on management; requirements for additional financing; competition; hindering market growth and state adoption due to inconsistent public opinion and perception of the medical-use and adult-use marijuana industry and; regulatory or political change.

There can be no assurance that such information will prove to be accurate or that management's expectations or estimates of future developments, circumstances or results will materialize. As a result of these risks and uncertainties, the results or events predicted in these forward-looking statements may differ materially from actual results or events.

Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this news release are made as of the date of this release. CannaRoyalty disclaims any intention or obligation to update or revise such information, except as required by applicable law, and CannaRoyalty does not assume any liability for disclosure relating to any other company mentioned herein.