

NEWS RELEASE



CannaRoyalty Completes 20% Acquisition of Anandia Labs, a Leader in Cannabis Testing, Extraction and Genetics

Ottawa, Canada – February 17, 2017 – CannaRoyalty Corp. (CSE: CRZ) (“**CannaRoyalty**” or the “**Company**”) is pleased to announce the closing of its previously announced acquisition of a 20% equity stake in Anandia Laboratories Inc. (“**Anandia Labs**”), a cutting-edge cannabis biotechnology company, in exchange for aggregate consideration of C\$4,042,439.09.

Anandia Labs is the only independent Canadian testing facility specializing exclusively in cannabis. Together with a significant intellectual property position that includes cannabinoid pathway patents and proprietary genetics, Anandia Labs possesses a Health Canada Dealers License. The dealers license permits Anandia Labs to undertake research and development, and to develop products beyond those currently permitted for licensed producers under Health Canada's Access to Cannabis for Medical Purposes Regulations (ACMPR).

"Anandia Labs's expertise in cannabis testing is essential to ensuring that patients are receiving safe and effective products in the Canadian cannabis sector. In combination with the company's plans to leverage its dealers license to develop its expertise in developing and producing cannabis extracts, Anandia Labs has positioned itself as a true leader in the Canadian cannabis industry. With the closing of the acquisition of our ownership stake in Anandia Labs, we are proud to add such a valuable and strategic asset to the CannaRoyalty platform," said Marc Lustig, Chief Executive Officer of CannaRoyalty.

CannaRoyalty has acquired an aggregate of 5,079,441 shares in Anandia Labs, representing a 17.97% equity interest in Anandia Labs, in exchange for C\$1,521,217.55 in cash, 682,097 common shares of CannaRoyalty (“**CR Shares**”) at a deemed price per CR Share equal to \$2.93214, being the volume weighted average price of the CR Shares on the Canadian Securities Exchange for the 10 consecutive trading days immediately preceding the date hereof, and 7,471 CR Shares at a deemed price per CR Share equal to \$2.84, being the closing price of the CR Shares on the trading day prior to the date of the announcement of the transaction. A further 716,941 shares of Anandia Labs will be issued to CannaRoyalty on delivery and acceptance of certain equipment and services, which delivery is expected to occur in Q2 2017. Issuance of these additional shares in Anandia Labs will increase CannaRoyalty's ownership position to 5,796,382 shares, or a 20% equity interest.

About Anandia Labs

Anandia Labs is a Health Canada licensed company co-founded by Dr. Jonathan Page, a leading authority on cannabis biochemistry and genomics. Anandia Labs is focused exclusively on cannabis, with the aim of bringing the best of modern science to the cannabis industry for the benefit of growers and consumers. Anandia Labs also provides a full suite of third-party independent cannabis testing services to clients licensed under Health Canada's ACMPR, including Licensed Producers and patients.

For further inquiries, please contact:

Jonathan Page, President and CEO

Email: jpage@anandialabs.com

Tel: 604-822-0253 or 778-874-6923

Visit: www.anandialabs.com

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.

For further inquiries, please contact:

Email: InvestorRelations@cannaroyalty.com

Tel: 1-844-556-5070

Visit: www.cannaroyalty.com

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 expectations with respect to pursuing new opportunities and its future growth 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 US 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.