



## Valens GroWorks announces increase to financing and closing of first tranche

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VANCOUVER, Feb. 5, 2018 /CNW/ - **Valens GroWorks Corp. (CSE: VGW)** (the "**Company**" or "**Valens**"), a multi-licensed, vertically integrated provider of cannabis products, is pleased to announce an increase to its December 27, 2017-announced non-brokered private placement to up to \$12,000,000 through the issuance of up to 8,571,428 common shares in the capital of the Company at a price of \$1.40 per share (the "**Offering**").

The Company also announces the closing of the first tranche of the Offering, issuing 1,997,536 common shares for gross proceeds of \$2,796,550. Certain eligible persons ("**Finders**") were paid a cash fee equal to 8% of the proceeds raised from subscribers introduced by such Finders. The net proceeds of the Offering will be used to fund additional growing and oil extraction capacity at existing facilities, and for general corporate purposes. The Company intends to close additional tranches of the Offering in the short term.

The Company is also pleased to announce that it has engaged Beacon Securities Limited ("**Beacon**") to act as capital markets advisor to the Company. Beacon, a Toronto-based independent investment dealer, will provide ongoing advice to the Company with respect to its capital markets strategy.

Tyler Robson, Chief Executive Officer of Valens, stated *"This is a significant development for Valens, facilitating our near-term expansion and additional licensing objectives in Canada, to become a premium product processor and manufacturer for LP's, and ultimately to establish exports into Europe and the United States. Our proprietary process to generate 100% cannabis oil products without the use of solvents, and our distribution, marketing and sales agreement with Canopy Growth Corporation through its extensive CraftGrow distribution network, will enable us build immediate brand recognition, and positions us to become a leading processor when the anticipated Cannabis Act legislation for adult recreational use is approved."*

Closing of the Offering is subject to regulatory approval including that of the Canadian Securities Exchange ("**CSE**"). All securities issued in connection with the Offering will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation.

### **About Valens GroWorks Corp.**

Valens GroWorks is Canadian publicly traded biotechnology company executing on its "*plants to premium products*" objectives through two wholly-owned subsidiaries, located at the Company's expanding 17,000 sq.ft. facility on two acres in Kelowna, in the heart of British Columbia's Okanagan Valley. Subsidiary Valens Agritech ("**VAL**") is commencing cannabis production and sales under a Health Canada Dealer's License, and is also a late-stage license applicant to cultivate medical marijuana under the ACMPR for individual patients. Subsidiary Supra THC Services ("**Supra**") is a Health Canada licensed cannabis testing lab providing sector-leading analytical and proprietary services to Licensed Producers, ACMPR patients, and the natural health products industry.

Supra has partnered with Thermo Fisher Scientific to develop a "*Centre of Excellence in Plant Based Medicine Analytics*" in Kelowna, and both subsidiaries are involved in a collaborative research partnership with British Columbia-based universities UBC Okanagan and Thompson Rivers to explore the vast range of bioproducts that can be made from cannabis plant materials. A supply and sales agreement with

Canopy Growth Corporation (TSX: WEED) provides for the distribution, marketing and sale of a portion of the Company's branded products through Canopy Growth's extensive CraftGrow distribution network. For more information, please visit <http://valensgroworks.com>, <http://www.valensagritech.com> and <http://www.suprathc.ca>.

**On behalf of the Board of Directors,  
VALENS GROWORKS CORP.**

(signed) "Rob van Santen"  
Chief Financial Officer

Notice regarding Forward Looking Statements

This news release contains certain "forward-looking statements" within the meaning of such statements under applicable securities law. Forward-looking statements are frequently characterized by words such as "anticipates", "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed", "positioned" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this news release. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. The Corporation is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

The CSE or other regulatory authority has not reviewed, approved or disapproved the contents of this press release. We seek Safe Harbour.

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