



V A L E N S

For Immediate Release

August 29, 2018

VALENS SIGNS LETTER OF INTENT WITH COLOMBIAN-BASED ETICANN

Kelowna, B.C., August 29, 2018 – Valens GroWorks Corp. (CSE: VGW) (the “Company” or “Valens”), a multi-licensed, vertically integrated provider of cannabis products and services utilizing proprietary extraction processes today announced that it has signed a letter of intent with Colombian-based licensed producer Eticann S.A.S. Zomac (“Eticann”) for:

- the Company to purchase cannabis materials from Eticann;
- the exclusive right for the Company to provide extraction services for Eticann’s premium cannabis oil product offerings;
- the provision of extraction service expertise to Eticann for toll processing services in Colombia and surrounding markets; and
- Option to purchase up to 50% of Eticann’s issued and outstanding shares.

This announcement marks Valens’ first international supply and extraction agreement to date, capitalizing on the company’s Health Canada Dealer’s License.

“We are excited to firmly plant our roots in international markets and feel honoured to be chosen as a trusted partner by Eticann. Eticann is a well-established, fully licensed cultivation and extraction facility, which combined with Valens’ expertise in toll processing and small batch extraction, will provide Eticann with the intellectual resources needed to expedite a premium, full-service product and extraction services offering to Colombia and surrounding markets,” said Tyler Robson, CEO, Valens GroWorks. “Signing this letter of intent with Eticann secures Valens an opportunity to acquire an ownership position in the Colombian cannabis market, establishing our dedication and commitment to providing adult consumers worldwide with the highest quality extracted cannabis products.”

“Eticann currently occupies over 150 hectares of cultivation space in Colombia’s prime agricultural region, with another 10,000 hectares of organic farmland already secured to support future expansion. We are pleased to secure Valens as a trusted international partner to support our future growth initiatives and look forward to further capitalizing on our large production capacity, experienced management team and proven agricultural practices,” said Rodrigo Tamayo, Legal Representative for Eticann S.A.S. Zomac.

Valens and Eticann will be combining resources including Valens’ leadership in extraction and Eticann’s large scale seed-to-sale processing capabilities. Valens continues to explore partnership opportunities internationally and domestically by capitalizing on its expertise in extraction services.

About Eticann S.A.S. Zomac

Eticann S.A.S. Zomac is a fully licensed, vertically-integrated provider of cannabis products, including cultivation, processing and extraction services. By fostering socially inclusive development and working closely with the local

indigenous communities from Santa Marta and Cauca, Eticann has access to an exclusive seed selection from various native regions of Colombia.

Eticann's public private partnership with National University Agronomy Research Facility allows them to further improve the genetics and maintain consistency for commercial propagation through tissue culture techniques. Healthcare professionals, in collaboration with research facilities Hospital San Ignacio and Javeriana University, guide Eticann in developing cannabis-based pharmaceuticals following medical research and protocols to deliver tailor-made, cannabis-based medicine globally. Eticann's relationship with this dedicated team of experts has earned the company the trust and recommendation of health care professionals worldwide. Operating solely on sustainable methods, Eticann takes pride in its innovative, high quality manufacturing practices, delivering all-natural products free of pesticides, solvents, metals and unwanted substances.

About Valens GroWorks

Valens GroWorks Corp. is a vertically integrated provider of Canadian cannabis products developed from our proprietary extraction techniques, with three wholly-owned subsidiaries located in and around Kelowna, BC. Subsidiary Valens Agritech has initiated cannabis production, processing and sales under a Health Canada Dealer's Licence, which includes a supply agreement with Canopy Growth Corporation under their extensive CraftGrow distribution network. Subsidiary Supra THC Services is a Health Canada licensed, ISO 17025 accredited cannabis testing lab providing sector-leading analytical services and has partnered with Thermo Fisher Scientific to develop a Centre of Excellence in Plant Based Medicine Analytics. Subsidiary Valens Farms is in the process of becoming a purpose-built facility in compliance with European Union (EU) Good Manufacturing Practices (GMP) standards, ensuring the product from this facility can be exported anywhere in the world where Cannabis is nationally legal for medical or adult usage purposes. For more information, please visit <http://valensgroworks.com>, <http://www.valensagritech.com> and <http://www.suprathc.ca>.

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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.

