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Canopy Growth Corporation Announces \$10 Million Bought Deal

March 22, 2016

SMITHS FALLS, ONTARIO

Canopy Growth Corporation (TSXV:CGC) (“Canopy” or the “Company”) is pleased to announce that it has entered into a letter of engagement with Dundee Securities Ltd. (the “Lead Underwriter”) on behalf of a syndicate of underwriters (the “Underwriters”) under which the Underwriters have agreed to purchase 4,350,000 common shares of the Company (the “Shares”), on a “bought deal” basis pursuant to the filing of a short form prospectus, subject to all required regulatory approvals, at a price per Share of \$2.30 (the “Offering Price”), for total gross proceeds of \$10,005,000 (the “Offering”).

The Company has agreed to grant the Underwriters an over-allotment option to purchase up to an additional 652,500 Shares at the Offering at the Offering Price, exercisable in whole or in part, at any time on or prior to the date that is 30 days following the closing of the Offering. If this option is exercised in full, an additional \$1,500,750 will be raised pursuant to the Offering and the aggregate proceeds of the Offering will be \$11,505,750.

The Company intends to use the net proceeds of the Offering for capital expenditures and for working capital and general corporate purposes.

The Shares will be offered by way of a short form prospectus to be filed in all of the provinces of Canada, except Quebec, pursuant to National Instrument 44-101 - *Short Form Prospectus Distributions*.

The closing date of the Offering is scheduled to be on or about April 15, 2016 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the TSX Venture Exchange and the applicable securities regulatory authorities.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful. The securities being offered 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 absent registration or an applicable exemption from the registration requirements of the United States *Securities Act of 1933*, as amended, and applicable state securities laws.

About Canopy Growth Corporation

Canopy Growth (TSX.V:CGC) is Canada's first publicly traded medical marijuana company and the first geographically diversified producer with dual licenses under the Marihuana for Medical Purposes Regulations. Through its wholly-owned subsidiaries, Tweed Inc., Tweed Farms Inc., and Bedrocan Canada Inc., the Company operates three state-of-the-art production facilities in Ontario and distributes marijuana across the country to Canadian patients managing a host of medical conditions. The Company is dedicated to educating healthcare practitioners, providing consistent access to high quality medication, conducting robust clinical research, and furthering the public's understanding of how marijuana is used for medical purposes. www.canopygrowth.com

Notice Regarding Forward Looking Statements

This news release contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends",

"anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Canopy Growth Corporation or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Examples of such statements include statements regarding the issuance of the Common Shares and the use of proceeds from the Offering. Such forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to: the economy generally; the yield from Canopy Growth Corporation's marijuana growing operations; consumer interest in products; competition; regulation; anticipated and unanticipated costs and delays; and the ability to receive any required approvals or consents in connection with the Offering, the ability of Canopy Growth Corporation to satisfy the conditions of the Offering or otherwise close the Offering. Although Canopy Growth Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Readers should not place undue reliance on forward-looking statements. The factors identified above are not intended to represent a complete list of the factors that could affect Canopy Growth Corporation or its subsidiaries. Additional factors are noted under the heading "Risk Factors" in the Company's Management's Discussion and Analysis of the Financial Condition and Results of Operations for the three and nine months ended December 31, 2015 available at www.SEDAR.com. The forward-looking statements included in this news release are made as of the date of this news release and Canopy Growth Corporation does not undertake an obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities legislation.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

SOURCE Canopy Growth Corporation

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