

Canopy Growth Secures \$5.5 Million in Loan Facilities

New financing establishes Canopy Growth as the only cannabis company with multiple financings from a commercial lending institution.

August 5, 2016

Smiths Falls, ON – Canopy Growth Corporation (TSX:CGC) (“Canopy Growth” or “the Corporation”) closed a \$5.5 million financing with a commercial lending institution. The two facilities, which will be used to refinance building construction and for expenditures related to the purchase of capital equipment, is the second financing agreement that the institution has entered into with Canopy Growth. The three facilities total approximately \$7 million.

“These new facilities strengthen our financial position and enable Canopy Growth to continue driving forward an aggressive expansion of our operations that we believe is necessary to help meet future cannabis market demand,” said Bruce Linton, Chairman & CEO, Canopy Growth. “We are very pleased with this second round of financing seeing as it is the first time that the commercial lender has entered into multiple credit agreements with a Licensed Producer. We believe it signals a strong belief in the strength of Canopy Growth’s current and future potential business.”

The new financing is comprised of two separate loan facilities: a term loan and a revolving line of credit. The 5 year term loan is for approximately \$3.5 million and is provided on commercial terms. The revolving loan, in the amount of \$2.0 million, bears a variable interest rate based on the CIBC prime rate with a 5 year term and interest only payments.

The financing is secured by a first charge mortgage on the Tweed Farms property, a first position on a Tweed Farms general security agreement and a specific security interest, backed by a corporate guaranty from Canopy Growth.

Bruce Linton commented, “Management believes it is appropriate and necessary to fund continued investment in our business in order to capitalize on Canadian and international opportunities in a timely fashion all the while considering the potential impact of key future developments in our sector, including pending changes to the *Marihuana for Medical Purposes Regulations* (MMPR) in response to the Allard decision which are expected to be introduced by August 24, 2016, the tabling of recommendations by the Federal Government’s Marijuana Legalization Task Force which is expected in November 2016 and the introduction of marijuana legalization legislation which is expected to happen by the spring of 2017.”

The first regulatory change on the horizon is expected this month when the Canadian government is likely to announce changes to the MMPR in response to the decision rendered on February 24, 2016 by the Federal Court in the case of *Allard et al v. Canada*. The Company believes that the legislative changes are likely to result

in the government permitting patients to grow medical marijuana for their own use. While such changes may result in a material adverse change to the Company and sector, Canopy remains committed to an expansion of capacity that appropriately invests in the future of the cannabis sector.

About Canopy Growth Corporation

Canopy Growth is a world-leading diversified cannabis company, offering diverse brands and curated cannabis strain varieties in dried and oil extract forms. Through its wholly-owned subsidiaries, Tweed, Tweed Farms, and Bedrocan Canada, Canopy Growth operates three state-of-the-art production facilities with over half a million square feet of indoor and greenhouse production capacity. Canopy Growth has established partnerships with leading sector names in Canada and abroad. For more information, 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, Tweed Inc., Tweed Farms Inc. or Bedrocan Canada Inc. to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Examples of such statements include future operational and production capacity, the impact of enhanced infrastructure and production capabilities, and forecasted available product selection. The forward-looking statements included in this news release are made as of the date of this news release and Canopy Growth Corp. 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 Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Exchange) accepts responsibility for the adequacy or accuracy of this release.

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