

Canopy Growth Establishes Germany Based Operations Through the Acquisition of Licensed Distributor, MedCann GmbH

November 28, 2016

Smiths Falls, ON – Canopy Growth Corporation (“Canopy Growth” or the “Company”) today announced that it has entered into an agreement to acquire MedCann GmbH Pharma and Nutraceuticals (MedCann), a German-based pharmaceutical distributor who has successfully placed Tweed-branded cannabis strains in German pharmacies.

MedCann has proven its ability to navigate the complex regulatory environment for cannabis importation and distribution in Germany. With a highly experienced leadership team, led by Dr. Pierre Debs, it has established itself as a leading cannabis importer and distributor within Germany where the cannabis industry still relies solely on imported products.

“Germany has begun a process of enabling medical access to cannabis and through a policy that recognized Canopy as the first legal supply source from North America,” said Bruce Linton, Chairman and CEO of Canopy Growth Corporation. “This acquisition establishes a distinct and purely medicinal corporate entity that helps us today but also positions us for domestic medicinal production inside Germany if the regulatory environment shifts.”

The various production sites within Canopy have developed a track record of producing consistent strains that yield reliable cannabinoid profiles harvest over harvest, a federal requirement for cannabis exports entering Germany. At this time, Tweed is capable of producing numerous stabilized strains and will position MedCann well in this market. Bedrocan Canada products will not be provided to the German market due to license restrictions.

“Germans need access to high-quality cannabis and Tweed’s products are proving to be up to the very strict standards set by the federal government,” said Dr. P. Debs, founder of Medcann. “Working together as one team will allow Canopy Growth through Tweed, Tweed Farms, and future production sites to supply the unmet demand that has been building over the past decade.”

Germany permitted patient access to medical cannabis in 2005. No domestic production currently exists with cannabis imports currently from Canada and Holland.

The acquisition is structured against certain licensing milestones that will move the Company towards domestic production opportunities. 674,631 common shares in the Company will be issued to MedCann upon the closing of the transaction. A further 367,981 commons shares in the Company will be issued on the 18-month anniversary of obtaining an *Import and Distribution License* from the German Health

Minister. A further 122,660 common shares in the Company will be issued to MedCann principal upon achieving certain other milestones within two years of closing the transaction.

This incentivized structure, combined with Canopy Growth's experience establishing and expanding upon licensing form the foundation of a strong early market position in Europe's largest economy.

The acquisition is subject to the approval of the Toronto Stock Exchange.

Here's to Future Growth.

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About Canopy Growth Corporation

Canopy Growth is publicly traded on the TSX and a leading diversified producer of medical cannabis through its wholly owned subsidiaries Tweed, Bedrocan Canada, and Tweed Farms. The Company operates a collection of diverse brands and curated strain variety, supported by over half a million square feet of indoor and greenhouse production capacity.

About MedCann GmbH Pharma and Nutraceuticals

MedCann GmbH was founded in June 2015 by Dr. Pierre Debs and Rainer Hofmann. MedCann GmbH is an importer, manufacturer and distributor of medical cannabis products and is federally licensed by the German Health Ministry. Dr. Debs is a stem cell biologist with over 25 years research experience at world class research universities in the US and Europe. Rainer Hofmann is a successful businessman having established and directed a variety of businesses in the Heidelberg area for over 20 years. MedCann GmbH operates under strict GMP and GDP guidelines for all aspects of sourcing, transporting and releasing medical cannabis products.

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. The forward-looking statements included in this news release are made as of the date of this news release and Canopy Growth 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 the Toronto Stock Exchange nor its Regulation Services Provider (as that term is defined in policies of the Toronto Stock Exchange) accepts responsibility for the adequacy or accuracy of this release.