

## **Canopy Growth Corporation Welcomes Government's Commitment to Maintaining Veterans' Insurance Coverage**

November 22, 2016

Smiths Falls, ON – Canopy Growth Corporation (TSX:CGC) (“Canopy Growth” or the “Company”) is pleased to provide the following update on the Government’s new policy surrounding veterans insurance coverage, and to provide an overview of the practices of its wholly-owned subsidiaries, Tweed Inc. (Tweed) and Bedrocan Canada Inc. (Bedrocan Canada) as they relate to veterans.

### **Canopy Growth's Current Veterans Program**

In light of the findings of the Auditor General’s Spring 2016 Report outlining cost increases for medical marijuana veterans coverage by Veterans Affairs Canada, the recent [VICE News reports](#) alleging unethical or illegal price inflation by two other Licensed Producers as it relates to prices for insurance-covered veterans, [recent concerns](#) expressed by CFAMM, and today’s resulting policy changes made by the Canadian government, Canopy Growth would like to make it definitively clear that it does not and has never engaged in any practice to inflate pricing for veterans.

We do *not* operate separate websites for veterans. We do *not* oblige veterans to purchase higher-priced cannabis products, while hiding access to lower priced cannabis products. We do *not* charge a different price to veterans, and we do *not* hide pricing from veterans. Every veteran who registers with Tweed or Bedrocan Canada receives access to the exact same products at the exact same pricing as every other customer.

Though we serve hundreds of Canadian veterans, veterans represent only 2% of Canopy Growth’s combined client base of tens of thousands of Canadians. The Company does not foresee these policy changes having a material impact on sales or customer growth. Tweed and Bedrocan Canada attract and retain our veteran clientele the same way we attract all our other customers: with quality customer service, and a wide and diverse product selection. We are proud to serve our veterans and would never jeopardize the trust our veterans place in us, or attempt to artificially increase pricing at the expense of the Canadian taxpayer.

To ensure that Canopy can effectively voice its opinion on this and other pressing issues facing our sector, our Company has elected to withdraw its memberships from Cannabis Canada Association.

### **New Government Policy on Veterans Coverage**

As reported this morning, Veterans Affairs has amended insurance coverage for veterans, introducing a price limit of \$8.50 per gram, while extending coverage to cannabis oils. While the Government has introduced a limit on the number of grams

it will insure by default, it has also committed to a process for additional coverage. Our Company will continue to advocate for fair coverage and trust that additional coverage will be provided for those veterans with a demonstrated need.

"Cannabis appears to provide significant therapeutic benefit to thousands of Canadian veterans while potentially reducing the use of costly and, in some cases, harmful pharmaceuticals," said Bruce Linton, CEO of Canopy Growth. "With cost overruns and allegations of unethical price inflation, it was possible that the Government could have ended all insurance coverage, so we are pleased that Veterans Affairs will continue to offer our veterans access to this emerging therapeutic option, and that coverage has been extended to oils as well."

Tweed and Bedrocan Canada are pleased to immediately commit that up to the specified daily amount approved, our companies will ensure full coverage for all of our products regardless of the price, so that veterans continue to have access to a full range of products to meet their needs, including cannabis oils. Any cost differential between our store price and the coverage by Veterans Affairs will be covered by Tweed and Bedrocan Canada, respectively, so that we subsidize our veterans and not the other way around.

### **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 visit [www.canopygrowth.com](http://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

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