



For Immediate Release

September 23rd, 2019

VALENS RECEIVES AMENDED LICENSE FROM HEALTH CANADA PERMITTING SALES DIRECTLY TO PROVINCES AND TERRITORIES & PROVIDES OPERATIONAL UPDATE

Kelowna, B.C., September 23, 2019 – Valens GroWorks Corp. (TSXV: VGW) (OTCQX: VGWCF) (the “Company” or “Valens”), a vertically integrated provider of industry leading extraction products and services; including a diverse suite of extraction methodologies, next generation cannabinoid delivery formats and an ISO 17025 accredited analytical lab is pleased to announce it has received an amended license from Health Canada and continues to make significant progress with the build out of the adjoining state of the art white label manufacturing facility scheduled for completion by H1 2020.

Amended Health Canada License

Under the new license, Valens is now authorized to manufacture and supply oil products directly to provincial distributors and other authorized Canadian retail supply channels. Valens will immediately start leveraging this amended license to expand services provided to its white label manufacturing partners, delivering retail ready products including tinctures and gel caps. The Company plans to further expand its retail ready product offerings to include vaporizer cartridges, beverages, topicals and other desired products as permitted by Health Canada.

“This amended license represents another significant milestone for the Company” said Tyler Robson, CEO of Valens. “We are excited to be able to utilize this license, our industry leading extraction, IP and formulation services along with our strategic partnerships with companies like Shoppers Drug Mart, to provide our white label partners access to a comprehensive service offering.”

Operational Update on Build Out of State of the Art White Label Facility

“With Valens now licensed to manufacture and supply white label products through provincial distributors we are happy to update investors on the construction of the adjoining state of the art white label facility which remains on time and on budget to be complete by H1 2020” said Tyler Robson.

Valens has already built out the capability to fulfill initial white label product demand through the Company’s current extraction and product development facility. However, the new white label manufacturing facility is not only expected to increase extraction capacity to over 1,000,000kg per year through further expansion of the Company’s ethanol and hydrocarbon capabilities but will substantially increase product development and manufacturing volumes of vape pens, beverages, concentrates, edibles, and topicals for its customers. The new facility will include robotics and automated machinery to enhance throughput and efficiencies of customized products for our customers.

“This is a purpose-built facility to EU GMP standards and is expected to be one of the largest and most diverse third-party cannabis product development facilities in Canada” said Tyler Robson. “We will be expanding our offerings to our customers to also include customized formulations, emulsion, terpene enhancement, and centrifugal partition chromatography that will allow our customers to target specific desired cannabinoids as the market offerings mature, such as CBG, THCV or CBN, as well as separate out unwanted contaminants in oil including pesticides and microbials.”

The Company would also like to provide further insight into the strategic agreement, announced on September 16, 2019, with Shoppers Drug Mart for the supply of cannabis oil products. Under the terms of the agreement, Shoppers will purchase from the Company, retail ready products including gel caps and tinctures for sale and distribution on their medical cannabis ecommerce site, with further expansion of product offerings to include vaporizer cartridges, topicals and other desired products as permitted by Health Canada. The agreement is for an initial three-year term, with the option to renew for an additional two years with the total value of the contract being determined based on the size and frequency of purchase orders received by the Company from Shoppers. The Company already has all the infrastructure in place to execute under the agreement and continues to work closely with the team at Shoppers to finalize details for the successful launch of products.

About Valens GroWorks

Valens GroWorks Corp. (TSXV:VGW) (OTCQX:VGWCF) is a multi-licensed, vertically-integrated cannabis company focused on being the partner of choice for leading Canadian and international cannabis brands by providing best-in-class, proprietary services including CO2, ethanol, hydrocarbon, solvent-less and terpene extraction, analytical testing, formulation and white label product development. Valens is the largest third-party extraction Company in Canada with an annual capacity of 425,000 kg of dried cannabis and hemp biomass at our purpose-built facility in Kelowna, British Columbia which is in the process of becoming European Union (EU) Good Manufacturing Practices (GMP) compliant. Additionally, our subsidiary Valens Labs 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 Science. For more information, please visit <http://valensgrowworks.com>. The Company's investor deck can be found specifically at <http://valensgrowworks.com/investors/>

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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 TSXV or other regulatory authority has not reviewed, approved or disapproved the contents of this press release. We seek Safe Harbour.