

Canopy Health Innovations Closes Financing & Announces Leadership Appointment

SMITHS FALLS, ON, Dec. 21, 2016 /CNW/ - Canopy Growth Corporation (TSX:CGC) ("Canopy Growth" or "CGC") is pleased to announce that the recently formed Canopy Health Innovations ("CHI" or the "Corporation"), has closed an offering to sell common shares in the Corporation for gross proceeds of approximately \$7 million. CHI will use the proceeds to establish general operations and begin clinical research (in partnership with licensed third parties, including Canopy Growth) into the effectiveness of clinically ready whole plant cannabis drug formulations and dose delivery systems on specific indications.

CHI will operate as a pure research incubator and is strategically positioned and focused on creating an IP portfolio that can be built into commercial opportunities for CGC and its subsidiaries.

Pursuant to agreements entered into between CHI and CGC, CGC and its subsidiaries will work closely with CHI whereby CGC will act as a primary supplier of cannabis products for clinical research, as a research partner through its subsidiary Tweed Inc., which recently acquired a Controlled Drugs and Substance Dealer's License from Health Canada, allowing it to, among other things, possess cannabis and cannabis by-products for the purposes of analytical testing, and in the commercialization of IP created by CHI.

"Canada is in a unique leadership position with respect to cannabis research and cannabis IP," said Bruce Linton, the Chairman of CHI and Chairman & CEO of CGC. "Our intention with CHI is to build an extension of the business that is dedicated to product specialization. By defining, in clinical terms, how to apply specific cannabis profiles and delivery systems to certain conditions we can drive physician acceptance and grow the market at the same time."

CGC is also pleased to announce that Marc Wayne will join CHI as founding President and Director. Marc is well regarded as a pioneer in the Canadian medical cannabis field having both co-founded Bedrocan Canada, one of Canada's first licensed producers and the Cannabis Canada Association (formally CMCIA), acting as its founding Chair. Marc was also instrumental in helping develop the Canadian Consortium for the Investigation of Cannabinoids (CCIC) and turning it into a global innovator in education and research on the medical uses of cannabis. With his years of start up and executive management experience, Mr. Wayne is ideally suited to lead this health and research focused enterprise during this critical time for cannabis research.

"This is a very exciting time for cannabis research and the possibility to take whole plant cannabis therapies to another level," said Marc Wayne. "Canada is well positioned with its current regulatory environment to lead in this area. The calls for more research into cannabis have been heard, and I am honored to have the opportunity to lead CHI as a credible first mover into this area."

Effective upon the closing of the offering, Mr. Wayne has resigned his position as Managing Director of Canopy Growth Corporation and as President of Bedrocan Canada Inc. in order to focus his attention on CHI. The Canopy Growth Corporation management team and Board of Directors wishes to deeply thank Marc Wayne for his instrumental role in forming Canopy Growth Corporation and his dedication to medical cannabis, work which will continue and accelerate at CHI.

CHI is currently owned in part by Canopy Growth Corporation (TSX:CGC), and private investors. The corporate vision of CHI is to increase the understanding of cannabis based therapies through research, drive product innovation and build intellectual property in the medical cannabis industry.

Here's to Future Growth.

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 whollyowned subsidiaries, Canopy Growth operates numerous 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.

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.

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