



Aphria Inc. Acquires CannWay Pharmaceuticals Inc. Significantly accretive to earnings

<http://www.marketwired.com/press-release/aphria-inc-acquires-cannway-pharmaceuticals-inc-tsx-venture-aph-2088089.htm>

Leamington, Ontario – January 14, 2016 – Aphria Inc. (“Aphria” or the “Company”) (TSX-V: APH) has acquired a 100 per cent interest in CannWay Pharmaceuticals Inc. (“Cannway”)—a medical support service created by veterans—as part of the Company’s on-going commitment to enhance and improve patient care (the “Transaction”). Pursuant to the Transaction, CannWay’s founders have become shareholders in Aphria on the terms described below.

Under the terms of the Transaction, Aphria has issued 3.6 million shares from treasury to the previous owners of CannWay, 1.8 million of which will be held in escrow until certain operational metrics are achieved. In the event the operational metrics are not achieved, the shares will be released from escrow to Aphria and cancelled. The Transaction provides an established patient-base for Aphria with potential for increased growth through direct distribution across Canada. As a result of the acquisition, and based on Aphria’s evaluation of Cannway’s historical performance and future growth prospects, Aphria projects that its EBITDA will be positively impacted by approximately \$0.9 million in fiscal 2016 and approximately \$3.6 million in fiscal 2017.

“Aphria is proud of Canada’s veterans and is committed to supporting those suffering from medical conditions as a direct result of their service to our country. The acquisition of CannWay enters Aphria into a unique partnership that will enable us to better understand veteran’s medical needs and provide appropriate treatment solutions for recovery,” said Vic Neufeld, CEO.

About Aphria

Aphria Inc., a company continued under the laws of the Province of Ontario and based in Leamington, Ontario, is in the business of producing, supplying and selling medical marijuana pursuant to the *Marihuana for Medical Purposes Regulations* (the “MMPR”). Under the MMPR, Health Canada is responsible for the oversight of commercial medical marijuana growers such as Aphria. Aphria’s common shares are listed on the TSX Venture Exchange under the ticker symbol “APH”. For more information, visit www.Aphria.com.

For more information or to schedule an interview:

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS: Certain information in this news release constitutes forward-looking statements under applicable securities laws. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as “expect,” “likely,” “may,” “will,” “should,” “intend,” or “anticipate,” “potential,” “proposed,” “estimate” and other similar words, including negative and grammatical



variations thereof, or statements that certain events or conditions “may” or “will” happen, or by discussions of strategy. Forward-looking statements include estimates, plans, expectations, opinions, forecasts, projections, targets, guidance, or other statements that are not statements of fact. Forward-looking statements in this news release include, but are not limited to, statements with respect to internal expectations, future share ownership in the Company, the holding and release of shares held in escrow, and the Company’s EBITDA and any anticipated changes thereto. Forward-looking statements necessarily involve known and unknown risks, including, without limitation, risks associated with general economic conditions; adverse industry events; marketing costs; loss of markets; future legislative and regulatory developments involving medical marijuana; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the medical marijuana industry in Canada generally, income tax and regulatory matters; the ability of Aphria to implement its business strategies; competition; crop failure; currency and interest rate fluctuations and other risks.

Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

Neither the TSX Venture Exchange (the “Exchange”) nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.