

Aphria Inc.

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Aphria Welcomes New Federal Recreational Cannabis Legislation

Company ready to meet recreational demand but calls for strict regulation and enforcement

LEAMINGTON, ONTARIO--(Marketwired - April 13, 2017) - Aphria Inc. ("Aphria" or the "Company") (TSX:APH)(OTCQB:APHQF), a Health Canada Licensed Producer of medical cannabis products, comments on the proposed Cannabis Act announced today.

Vic Neufeld, Chief Executive Officer of Aphria, said: "Aphria has a proven track record of supplying Canadian patients with high-quality, medical grade cannabis. We welcome the federal government's introduction of a regulatory framework legalizing cannabis for Canadians to keep profits out of the hands of the black market, restrict access to youth, and ensure clean and safe product."

"Having served tens of thousands of Canadian patients since 2014, we have witnessed first-hand the benefits of cannabis and support expanding access to all eligible Canadians. That said, we firmly believe that there is a critical need to set clear and enforceable rules to ensure that customers are protected and have access to clean and safe product. This is of utmost importance given the expected demand that will come with the introduction of a recreational market. As such, Aphria is calling for a strict product-testing regime across the sector. These costs should be absorbed by the Licensed Producers, not government, to ensure the regulations are enforced and taxpayers do not bear the burden of these costs. This new regime would include Health Canada visiting industry members regularly to survey their operations and test their products for safety." "Aphria is very well positioned to supply a significant amount of cannabis to the recreational market, estimated to be at least 600,000 kg annually. Recently, inspectors from Health Canada completed their onsite field inspection of our Part II expansion, which, upon finalized approval, will add an incremental 57,000 square feet of greenhouse capacity, increasing our annualized harvest to 8,000 kg. Upon completion of our vision to build 1,000,000 square feet of greenhouse footprint (inclusive of our Part III and IV expansion presently underway), we will have the capacity to supply more than 75,000 kg of high-quality cannabis at one of the lowest costs in the industry, making for an attractive value proposition in this new market."

"Canada is on the global stage for cannabis legalization and today marks a milestone in our history. We look forward to working alongside all levels of government on the drafting and implementation of the regulations to ensure product quality and consumer protection and safety."

About Aphria

Aphria Inc., one of Canada's lowest cost producers, produces, supplies and sells medical cannabis. Located in Leamington, Ontario, the greenhouse capital of Canada. Aphria is truly powered by sunlight, allowing for the most natural growing conditions available. We are committed to providing pharma-grade medical cannabis, superior patient care while balancing patient economics and returns to shareholders. We are the first public licensed producer to report positive cash flow from operations and the first to report positive earnings in consecutive quarters.

We Have a Good Thing Growing.

For more information, visit www.aphria.com.

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 "may", "should", "anticipate", "expect", "potential", "believe", "intend" or the negative of these terms and similar expressions. Forward-looking statements in this news release include, but are not limited to, statements with respect to internal expectations, estimated margins, timing for completion of final TSX approval, expectations for future growing capacity and costs, the completion of any capital project or expansions, any commentary related to the legalization of marijuana and the timing related thereto, expectations of Health Canada approvals and expectations with respect to future production costs. 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.

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