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Aphria Triples Production Capacity With Approval From Health Canada for Part II Expansion

Combined facility capable of producing 8,000 kgs annually

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Aphria Inc. ("Aphria" or the "Company") (TSX:APH)(OTCQB:APHQF) is pleased to announce that the Company has received a license amendment from Health Canada that provides Aphria with additional production space of 57,000 square feet, as part of its Part II expansion at its facility in Leamington, Ontario. This will more than triple Aphria's production capacity of medical cannabis from 2,600 kgs annually to 8,000 kgs annually.

The Health Canada license amendment falls under the *Access to Cannabis for Medical Purposes Regulations* (Canada) ("ACMPR"). The first crop cultivated and produced at the Part II expansion will be available for sale in the middle of August.

"The license amendment marks the completion of the second part of Aphria's four-part expansion plan, set to be completed by July 2018," said Vic Neufeld, Chief Executive Officer, Aphria.

"This will allow us to continue to produce high-quality cannabis at one of the lowest costs in the industry. The expansion will propel Aphria's greenhouse footprint to become the largest in the industry and deliver on our long-term strategic plan."

We Have a Good Thing Growing.

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. Aphria is committed to providing pharma-grade medical cannabis, superior patient care while balancing patient economics and returns to shareholders. Aphria was the first public licenced producer to report positive cash flow from operations and the first to report positive earnings in consecutive quarters.

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, expectations for future growing capacity and costs, the completion of any capital project or expansions, 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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