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For Immediate Release

November 25, 2015

GENOVATION CAPITAL ANNOUNCES BINDING AGREEMENT TO ACQUIRE MKHS LLC

Vancouver, B.C., November 25, 2015 – Genovation Capital Corp. (CSE: GEC) (the “**Company**” or “**Genovation Capital**”) is pleased to announce that it has entered into a binding commitment letter dated November 24, 2015 (the “**Commitment Letter**”) with MKHS LLC (“**MKHS**”), an arm’s length private limited liability company incorporated pursuant to the laws of Arizona, in respect of the proposed business combination of the two companies (the “**Transaction**”) first announced on November 2, 2015.

Under the terms of the Transaction, the Company will proceed to consolidate its share capital on a one-for-three basis (the “**Consolidation**”) and complete a US\$450,000 Offering (defined below). The shareholders of MKHS and Genovation Capital are expected to own, respectively, approximately 77 per cent and 23 per cent of the combined company (the “**Resulting Issuer**”) after the Offering, but excluding any shares issued in the Financing (defined below).

MKHS is a vertically integrated, fully licensed, Arizona-based marijuana cultivation, extraction and medicinal dispensary business. MKHS operates a 11,000 sf warehouse cultivation, commercial kitchen and extraction facility, and a separate 3,000 sf automated greenhouse located on 9.5 acres, zoned for expansion to 100,000 sf. The company supplies medical marijuana pursuant to the Arizona Medical Marijuana Act, operates two state-licensed “healing center” dispensaries and distributes its own in-house prepared, branded line of edibles, concentrates and extracts.

Trading in the common shares of Genovation Capital was halted prior to and as a result of this announcement and will remain halted until such time as all required documentation has been filed with and accepted by the CSE and permission to resume trading has been obtained from the CSE.

“This transaction is an important and exciting milestone for the growth of our company”, said Murphy Kittrell, President and Founder of MKHS, adding, “It will provide the company with the necessary resources to become a leading supplier of organically grown, condition specific, medicinal cannabis in Arizona, enabling us to expand our existing production facilities, pursue additional licenses and partnerships throughout North America and internationally, and assure patients and physicians of the quality, security and availability of our products”.

Bridge Financing

In order to accommodate the Transaction, the Company will complete a US\$450,000 non-interest-bearing convertible debenture financing, convertible at a post-consolidation price of \$0.12 per share (the “**Offering**”). The Offering reflects an increase of US\$50,000 over that announced on November 2, and includes the US\$200,000 tranche announced closed on November 9, 2015.

In addition to the Offering, Genovation Capital will undertake a debt financing and/or private placement (the “**Financing**”) to raise up to US\$500,000 for and/or on behalf of MKHS. The final terms are subject to mutual consent, and will be announced through a separate news release in due course.

Proceeds of the Offering and Financing will be used by MKHS to execute its business plan, including the build out and expansion of a larger greenhouse facility, purchase of property required for expansion, and for general working capital purposes of both MKHS and Genovation Capital. All advances to MKHS by Genovation Capital will be secured and collateralized loans pending the closing of the Transaction.

Highlights of the Proposed Transaction

Following the share consolidation and conversion of the Offering, but before the Financing and Transaction, Genovation Capital will have approximately 11,014,879 common shares outstanding, issued options to acquire an aggregate of 150,000 common shares at an exercise price of \$3.00 per common share and 291,667 common shares at an exercise price of \$1.00, and 944,444 warrants to acquire 944,444 common shares at an exercise price of \$0.75.

The Transaction shall take place by way of a share exchange or other similar form of transaction. Genovation Capital, MKHS and the shareholders of MKHS have agreed to exchange all of the issued and outstanding shares of MKHS for 36,475,000 common shares of Genovation Capital, to be issued to the shareholders of MKHS and held under three-year voluntary and Exchange imposed escrow agreements.

As a result of the proposed Transaction, Genovation Capital expects to have approximately 47,489,879 issued and outstanding common shares on an undiluted basis. Approximately 23.2 per cent of those shares will be held by shareholders of Genovation Capital and 76.8 per cent will be held by former shareholders of MKHS.

Conditions to Transaction

The Transaction as proposed will constitute a Fundamental Change pursuant to CSE Policy 8, whereby a major acquisition transaction results in a change of control, commonly referred to as a reverse take-over. An Information Circular will be prepared and delivered to security holders of Genovation Capital, in conjunction with its next scheduled Annual General Meeting, containing prospectus level disclosure of the resulting company. The Information Circular will provide historical financial statements for MKHS as if it were going public by way of prospectus and making application for listing, plus pro forma financial statements giving effect to the Transaction for the last full fiscal year of MKHS and any quarter that has been completed in the current fiscal year. The information circular will be posted on the Exchange website and SEDAR in due course.

The transaction terms outlined in the Commitment Letter are binding on the parties and are expected to form the basis of a definitive share exchange agreement (the “Definitive Agreement”). The Transaction is subject to regulatory approval, including the approval of the Canadian Securities Exchange (“CSE”), and standard closing conditions, including the approval of the Transaction by the directors of each of Genovation Capital and MKHS, and completion of due diligence investigations to the satisfaction of each of the parties, as well as the conditions described below. The legal structure for the Transaction will be determined after the parties have considered all applicable tax, corporate and securities law, and accounting efficiencies.

Other conditions to completion of the Transaction include:

- Completion of the Bridge Financing and/or a private placement or debt financing in at least such minimum amount as may be required to meet the terms of the Commitment Letter and CSE minimum listing requirements, if any.

- Preparation and filing of a filing statement outlining the definitive terms of the Transaction, in accordance with the rules of the CSE.

Investors are cautioned that, except as disclosed in the filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Genovation Capital should be considered highly speculative.

The CSE has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

Cautionary statements

This press release contains forward-looking information based on current expectations. Statements about the closing of the Transaction, expected terms of the Transaction, the number of securities of Genovation Capital that may be issued in connection with the Transaction, the ownership ratio of Genovation Capital post-closing, the requirement to hold shareholder approval and the parties' ability to satisfy closing conditions and receive necessary approvals are all forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, there can be no assurance that the Transaction will occur or that, if the Transaction does occur, it will be completed on the terms described above. The terms described above are not binding unless and until a Definitive Agreement is signed. Genovation Capital assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law.

Neither the CSE nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

About Genovation Capital Corp.

The Company has been actively seeking business opportunities that offer near term cash flow potential as a means to create shareholder value. The Company divested substantially all its business interests in March 2015 via a Plan of Arrangement, creating three stand-alone "Reporting Issuers" through the distribution of their shares to Company shareholders. The Company continues to hold a minority interest in a Malaysian-based operation providing onshore and offshore oilfield services and inspection and asset integrity management solutions.

Further information is available on the Company website at <http://www.genovationcapital.ca/>

ON BEHALF OF GENOVATION CAPITAL CORP.

(signed) "Robert van Santen"
Chief Executive Officer

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