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For Immediate Release

January 21, 2016

GENOVATION CAPITAL COMPLETES ACQUISITION FUNDING

Vancouver, B.C., January 21, 2016 – Genovation Capital Corp. (CSE: GEC) (the “**Company**” or “**Genovation Capital**”) announced today that it has closed a placement of 3,635 \$100 Convertible Debentures (collectively the “**CDs**”) for proceeds of \$363,500 (US\$250,000). The Company closed the initial \$268,000 (US\$200,000) tranche on November 9, 2015. This completes the previously announced financing to raise US\$450,000 (the “**Financing**”).

The Company is also pleased to announce that \$506,000 in commitments have been received for a non-brokered private placement (the “**Offering**”) of 2,108,333 shares at a post-consolidation price of \$0.24 per share. Upon closing, this Offering completes the funding announced November 25, 2015 to raise up to US\$500,000. There are no warrants attached to, and no finder’s fees payable in connection with the Financing and the proposed Offering.

Completion of the Financing and proposed Offering satisfies several key terms and conditions associated with the binding commitment letter (the “**LOI**”) whereby Genovation Capital acquires MKHS, LLC (“**MKHS**”) via the acquisition of all of the issued and outstanding securities of MKHS in exchange for securities of Genovation Capital (the “**Transaction**”), first announced on November 2, 2015. Advances by Genovation Capital will fund a 24,000 sf greenhouse expansion to MKHS’ existing Arizona operations, and are secured and collateralized pending the closing of the Transaction. The LOI was negotiated at arm’s length and is effective as of November 24, 2015.

As part of the terms for the proposed Transaction, the Company intends to consolidate its share capital on a one-for-three basis, anticipated to occur upon resumption of trading following dissemination of an information circular.

Trading in the common shares of Genovation Capital was halted on November 25, 2015 at the request of the Company, 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.

Financing Disclosures

Each \$100 CD entitles the debenture holder (the “**Investor**”) thereof to convert for a period of six months into 833 post-consolidation shares, as announced November 2, 2015. The CDs are non-interest-bearing, but should the Investor fail to convert any or all of this tranche of the Offering, a US\$25,000 pro rata bonus shall be payable to the Investor upon the expiry of the Conversion Maturity Date. All securities issued in connection with the Financing as well as common shares issued pursuant to conversion of the CDs are subject to a statutory hold period of four months plus a day from the date of distribution of the CDs in accordance with applicable securities legislation.

The CDs are being subscribed for by Westland Capital Advisors S.A. ("**Westland**"), a non-arm's-length party to the Company by virtue of holding greater than 10 per cent of the company's issued and outstanding common shares on a fully diluted basis. Robert van Santen, a director and the Company's chief executive officer, is an executive of Westland.

Valens Agritech Acquisition

The Company continues to advance towards a definitive Share Exchange Agreement with Valens Agritech Ltd. ("**Valens**"), the subject of a non-binding letter of intent ("**LOI#2**") whereby the Company acquires all of the issued and outstanding securities of Valens in exchange for securities of Genovation Capital. LOI#2 was negotiated at arm's length and announced on December 14, 2015.

Valens is a British Columbia-based applicant to become a licensed producer under the Marijuana for Medical Purposes Regulations, and an applicant under the Controlled Drugs and Substance Act and its Regulations to cultivate and process marijuana for scientific purposes, including the manufacturing of derivatives, and transporting and exporting product to locations worldwide.

The acquisition of Valens is expected to result in significant synergies between the Canadian and U.S.-based operations, and a significant step towards Genovation Capital becoming a global, vertically integrated medical cannabis company spanning the entire medical cannabis value chain from "Farm to Pharma". Operations would encompass the spectrum of cultivation through to production of pharmaceuticals derived from marijuana, and all the steps in between: extracts, testing, clinical trials, clinical development, proprietary therapeutics, branding, licensing, marketing and delivery.

Further details about the proposed transaction and resulting combined entity will be provided in a comprehensive press release when the parties enter into a Definitive Agreement, and in the filing statement to be prepared and filed in respect of the transaction(s).

Cautionary statements

The proposed transaction(s) with MKHS and Valens, if completed, will result in a "Fundamental Change" as defined in CSE policies. A Fundamental Change is a major acquisition whereby the Transaction results in a change of control, commonly referred to as a "reverse take-over".

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

This press release contains forward-looking information based on current expectations. Statements about the closing of the transaction(s), expected terms of the transaction(s), the number of securities of Genovation Capital that may be issued in connection with the transaction(s), 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(s) will occur or that, if the transaction(s) occur(s), it/they 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. We act as a public company incubator, applying human and financial resources and capital to engineer and structure an appropriate "going public" process. The Company divested several primary 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 maintains a significant but minority investment 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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