



For Immediate Release

February 12, 2016

GENOVATION CAPITAL CLOSES US\$500,000 PRIVATE PLACEMENT

Vancouver, B.C., February 12, 2016 – Genovation Capital Corp. (CSE: GEC) (the “Company” or “Genovation Capital”) is pleased to announce completion of its non-brokered private placement (the “Offering”) of 3,011,983 post-consolidation shares for proceeds of \$722,876 (approximately US\$500,000). The Offering, as first announced on November 25, 2015, was completed at a post-consolidation price of \$0.24 per share.

The net proceeds of this Offering and the recent convertible debenture issue are funding the costs associated with the previously announced MKHS, LLC (“MKHS”) and Valens Agritech Ltd. (“Valens”) proposed share exchange transactions (the “Transactions”), the terms and conditions of the binding Letter of Commitment (the “LOC”) whereby Genovation Capital acquires MKHS, and for general working capital purposes.

In accordance with the LOC with MKHS, Genovation Capital is providing financial support for MKHS’ expansion plan, which includes the securing and purchase of real estate underlying existing operations and the completion of a 29,000 sf expansion of the existing greenhouse facility on a 9.5 acre property. All advances to MKHS by the Company are secured and collateralized through participation by the Company as a direct third party beneficiary in the expanded operations, pending the anticipated closing of the reverse takeover of MKHS by Genovation Capital.

There are no warrants attached to, and no finder’s fees payable in connection with the Offering. All shares issued in connection with the Offering will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation, expiring on June 13, 2016.

Trading in the common shares of Genovation Capital was halted at the request of the Company on November 25, 2015 with the announcement of its binding agreement to acquire MKHS, and will remain halted until such time as all required documentation has been filed with and accepted by the Canadian Securities Exchange (the “CSE”). The Company received preliminary CSE approval to consolidate its share capital on a one-for-three basis, anticipated to occur with the resumption of trading.

The Transactions with MKHS and Valens as proposed will each 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, as first described by Genovation Capital in its November 2, 2015 news release.

Shareholders will be asked to approve the proposed transactions following dissemination of the Company’s Management Information Circular, to be SEDAR filed and circulated to shareholders in advance of special meeting of shareholders. Investors are cautioned that, except as disclosed in the

Management Information Circular, any information released or received with respect to the Transactions may not be accurate or complete and should not be relied upon.

About Genovation Capital Corp.

The Company has been actively seeking business opportunities offering 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/> and through its SEDAR filings.

ON BEHALF OF GENOVATION CAPITAL CORP.

(signed) "Robert van Santen"
Chief Executive Officer

For further information, please contact:

Genovation Capital Corp.
Greg Patchell, *Manager, Public Relations*
Telephone: +1.250.860.8634

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 one or both Transactions will occur or that, if a 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.