

## OrganiGram Announces Closing of \$23M Bought Deal Financing

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August 23, 2016

### MONCTON, NEW BRUNSWICK

**OrganiGram Holdings Inc. (TSX VENTURE:OGI)(OTCQB:OGRMF)** ("OrganiGram" or the "Company") is pleased to announce that it has closed its previously announced short form prospectus offering, on a bought deal basis, including the full exercise of the over-allotment option. As such, a total of 17,710,000 common shares of the Company (the "Shares") were sold at a price of \$1.30 per Share, for aggregate gross proceeds of \$23,023,000 (the "Offering"). The Offering was completed by a syndicate of underwriters led by Dundee Securities Ltd., and including GMP Securities L.P., Mackie Research Capital Corporation, PI Financial Corp. and Cormark Securities Inc.

The Company intends to apply approximately 70% of the net proceeds from the Offering towards expanding its production capacity through the construction of an extension to its existing facility to accommodate additional grow rooms and to acquire further real estate, in order to increase the Company's annual production capacity of medical marijuana to upwards of 12,500 kilograms. Additionally, the Company intends to allocate approximately 20% of the net proceeds towards developing the commercial scale production, distribution and sales infrastructure for its recently licensed cannabis oil extracts program. The Company intends to apply the remainder of the net proceeds to working capital and general corporate purposes

The Shares were offered and sold by way of a short form prospectus filed in each of the provinces of Canada, excluding the province of Québec, and offered and sold in the United States to selected accredited investors on a substituted purchaser basis in reliance on the registration exemption provided by Rule 506(b) of Regulation D under the United States Securities Act of 1933, as amended (the "1933 Act").

The securities referred to in this news release have not been, nor will they be, registered under the 1933 Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This news release does not constitute an offer for sale of securities, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the company and management, as well as financial statements. "United States" and "U.S. person" are as defined in Regulation S under the 1933 Act

### About OrganiGram Holdings Inc.

OrganiGram Holdings Inc. is a TSX Venture Exchange listed company whose wholly owned subsidiary, OrganiGram Inc., is a licensed producer of medical marijuana in Canada. OrganiGram is focused on producing the highest quality, condition specific medical marijuana for patients in Canada. OrganiGram's facility is located in Moncton, New Brunswick and the Company is regulated by the Marihuana for Medical Purposes Regulations.

The TSX Venture Exchange Inc. 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 news release contains forward-looking information, including but not limited to the intended use of proceeds of the Offering, which involves known and unknown risks, uncertainties and other factors that may cause actual events to differ materially from current expectation. Important factors - including the availability of funds, the results of financing efforts, crop yields - that could cause actual results to differ materially from the Company's expectations are disclosed in the Company's documents filed from time to time on SEDAR (see [www.sedar.com](http://www.sedar.com)). Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. The Company disclaims any intention or obligation, except to the extent required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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