



ALGAE DYNAMICS CORP ANNOUNCES MEMORANDUM OF UNDERSTANDING WITH BONIFY FOR SUPPLY OF CANNABIS, OIL EXTRACTION AND SALES

TORONTO May 9, 2017, ALGAE DYNAMICS CORP (OTCQB: ADYNF) (the "Company" or "ADC"), a company focused on the development of unique health products and pharmaceuticals utilizing cannabis, hemp and algae oils, today announced a Memorandum Of Understanding ("MOU") with 6779264 Manitoba Ltd dba Bonify ("Bonify"), to supply raw cannabis plant material for processing into cannabis oil for sale and for use in research. Bonify is a Licensed Producer, pursuant to the Access to Cannabis for Medical Purposes Regulations in Canada with the capability to grow multiple strains of cannabis in its state of the art 320,000 square foot facility. It is anticipated that this MOU will lead to definitive service and supply agreements to be negotiated in the near future.

Under the terms of the MOU, raw cannabis plant material will be shipped to ARA - Avanti Rx Analytics Inc. ("ARA"), a company with oil extraction capability with whom the Company has an agreement to test, formulate, manufacture and sell products under the current and/or future medical and recreational cannabis regulations, through subsidiary ADC Biomedical Corp ("BIO"), which is jointly owned by the Algae Dynamics and ARA.

The agreements with Bonify and ARA will help ensure a supply source for cannabis oils to be provided to the University of Waterloo and the University of Western Ontario, pursuant to the Sponsored Research Agreements ADC has in place with the two universities, as previously announced. In addition, the agreements put in place a near-term pathway to revenues by arranging product for export and/or sale to other Licensed Producers. Under the terms of the MOU, Bonify receives a right of first refusal option on cannabis oils processed from plant material supplied to BIO by Bonify.

Paul Ramsay, Chairman and President of Algae Dynamics, said, "This MOU represents another important piece of the puzzle to move forward with our strategy of developing unique health products and pharmaceuticals utilizing cannabis, hemp and algae oils. Securing supply of raw material is extremely important as the market for cannabis-related products develops, and that, along with the ability to extract oils, puts us in a strong position going forward."

As reported earlier, Algae Dynamics is continuing to seek opportunities to partner with or take ownership in existing Access to Cannabis for Medical Purposes Regulations (ACMPR) licensed producers to allow for access to the marketplace. In addition, the Company intends to pursue its own license under the ACMPR in the near future.



About Bonify

Bonify is a Canadian-owned Licensed Producer and leading provider of medical cannabis. By maximizing research findings and strictly adhering to best in class practices, quality standards and procedures, Bonify produces medical cannabis products to help individuals get the most out of life each and every day. With over 1,000,000 square feet of potential productive capacity at its present site in Winnipeg, Manitoba, Canada, when at full scale, Bonify will be capable of growing over 100,000 kgs of cannabis annually.

About Algae Dynamics Corp

ADC is engaged in the development of unique health products and pharmaceuticals that utilize hemp, cannabis and algae oils. This is an extension of our plan to commercialize our proprietary BioSilo(R) algae cultivation system for the high volume, low cost production of pure contaminant-free algae biomass which is high in Omega-3 fatty acids. We have engaged two Canadian universities to provide research into the use of extracts from cannabis oil, which we plan to use to develop products that combine the significant health benefits of Omega-3s derived from algae oil and extracts from cannabis oil. Our research is focusing on the use of cannabis oil in the context of cancer, and the use of cannabis derivatives for the development of novel pharmacotherapies for mental health.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

This news release contains "forward-looking statements" as that term is defined in Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended. Statements in this press release which are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, expectations or intentions regarding the future. Such forward-looking statements include, among other things, use of proceeds and the development, costs and results of current or future actions and opportunities in the sector. Actual results could differ from those projected in any forward-looking statements due to numerous factors. Such factors include, among others, the inherent uncertainties associated with new projects and development stage companies, our ability to raise the additional funding we will need to continue to pursue our exploration and development program, and our ability to retain important members of our management team and attract other qualified personnel. These forward-looking statements are made as of the date of this news release, and we assume no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements. Although we believe that any beliefs, plans, expectations and intentions contained in this press release are reasonable, there can be no assurance that any such beliefs, plans, expectations or intentions will prove to be accurate.



Investors should consult all the information set forth herein and should also refer to the risk factors disclosure outlined in our annual report on Form 10-K for the most recent fiscal year, our quarterly reports on Form 10-Q and other periodic reports filed from time-to-time with the Securities and Exchange Commission.

FOR MORE INFORMATION, VISIT OUR WEBSITE AT www.algaedynamics.com

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