



HEMPCO FOOD AND FIBER INC. Symbol: TSX.V - HFF

FOR IMMEDIATE RELEASE

Vancouver, BC, Canada

Wednesday, August 31, 2016

Hempco Food and Fiber Announces Closing of its Private Placement

Further to its news releases dated July 27, 2016, August 11, 2016 and August 22, 2016, Hempco Food and Fiber Inc. (the "Company" or "HFF") has received TSX Venture Exchange acceptance with respect to the closing of the final tranche of its non-brokered private placement.

HFF has now completed its non-brokered private placement consisting of the issuance of an aggregate of 4,370,000 units at a price of \$0.50 per unit for aggregate gross proceeds of \$2,185,000.

Each unit consists of one common share and one-half of one common share purchase warrant. Each whole common share purchase warrant entitles the holder to purchase one additional common share at a price of \$0.65 per share for a period of 15 months from the respective closing dates.

HFF intends on using the proceeds from the financing for continued expansion of processing facilities to satisfy increasing demand for the Company's hemp based food products and for general working capital.

The original news release issued on July 27, 2016 announced a minimum of \$1,000,000 that was increased to \$1,500,000 on August 11, 2016. Additional investor demand along with identifying additional use of proceeds allowed the board of directors of the Company the discretion to authorize an increase in the funding up to a limit of \$2,200,000.

The Company's Chief Executive Officer, Charles Holmes, stated: "This money raised confirms the interest in the industrial hemp industry and the investors' confidence in the hemp sector and the diligent hard work and performance of the HFF team in achieving its goals in a time of unprecedented growth".

The Company paid commissions to finders under the financing consisting of \$141,750 in cash and the issuance of 283,500 finder's warrants. Each finder's warrant entitles the holder to purchase one common share of the Company at a price of \$0.65 per share for a period of 15 months.

All securities issued or issuable under the financing are subject to a four-month hold period, in addition to such other restrictions as may apply under applicable securities laws in jurisdictions outside of Canada.

About Hempco

Hempco® is recognized as a "company that cares" and guarantees that its customers, all over North America, Europe and Asia, are provided the finest hemp seed foods possible.



ON BEHALF OF THE BOARD

"Charles Holmes"

Charles Holmes
Chief Executive Officer
HEMPCO FOOD AND FIBER INC.

FOR MORE INFORMATION, PLEASE CONTACT:

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Forward-Looking Information

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words "intend", "may", "will", "expect", and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current beliefs or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, this press release contains forward-looking information with respect to: (i) the intended use of proceeds; and (ii) the Company's ability to purchase additional equipment with proceeds from the financing and keep up with product demand. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to the Company. The material facts and assumptions include the intended use of proceeds remaining in the best interests of the Company. The Company cautions the reader that the above list of risk factors is not exhaustive. The forward-looking information contained in this release is made as of the date hereof and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Due to the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.

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