



AGRAFLORA ORGANICS INTERNATIONAL INC.

NEWS RELEASE

AgraFlora Organics Introduces Initial Edibles SKUs for Production at 51,500 Sq. Ft. GMP-Certified Winnipeg Edibles Facility; To Launch National Edibles Safety Campaign

Vancouver, British Columbia / November 8th, 2019 – AgraFlora Organics International Inc. (“AgraFlora” or the “Company”) (CSE: AGRA) (Frankfurt: PU31) (OTCPK: AGFAF), a growth oriented and diversified international cannabis company, is pleased to announce the introduction of four unique cannabinoid infused SKUs for production at its 51,500 square foot GMP Winnipeg Edibles Facility. AgraFlora intends to produce the following pectin and/or gelatine based CBD or THC infused gummy SKUs, branded with Mesoamerican attributes:

- Rojo: a strawberry flavoured pectin based, cannabinoid-infused gummy SKU
- Naranja: a tangerine flavoured gelatine based, cannabinoid-infused gummy SKU
- Azul: a blue raspberry flavoured gelatine based, cannabinoid-infused gummy SKU
- Verde: a green apple flavoured pectin based cannabinoid-infused gummy SKU

Brandon Boddy, Chairman and Chief Executive Officer of AgraFlora stated: “We are elated to announce the successful introduction and expected Health Canada product notification of our four cornerstone edibles SKUs, which harnesses the core competencies and competitive advantages associated with three generations of premium confectionary manufacturing experience.

We are of the opinion that AgraFlora’s initial cannabinoid-infused gummy SKUs will achieve the industry’s lowest COGS, resulting from a fully automated cooking, depositing and packaging production line, capable of producing 180,000 individually wrapped pieces per shift. All of our initial SKUs have been formulated, developed and packaged to meet the regulatory requirements, set out by Health Canada.

While our peers have initially focused on the submission of large numbers of wide ranging SKUs, we have instead elected to proceed with a more focused product development approach; leveraging the industry expertise refined over 100 years of profitable operations by our JV Partner, including supplying products to over 20,000 locations across North America, most prominently Costco and Wal-Mart.”

WINNIPEG EDIBLES FACILITY

The Company’s Winnipeg Edibles Facility, with 51,500 square feet, is equipped with over 30,000 square feet of dedicated edibles production space, as well as a 750 square-foot pharmaceutical-grade edibles research laboratory. Once activated, the Winnipeg Edibles Facility will be operated by a roster of third-generation chocolatiers/confectioners and boasts state-of-the-art manufacturing equipment capable of producing an assortment of both cannabinoid/terpene-infused products for medicinal, functional and adult use.

AgraFlora’s Winnipeg Edibles Facility is outfitted with fully automated production flow; therefore reducing associated labour costs and optimizing product throughput, as follows:

- **Cooking Automation:**
 - The Winnipeg Edible Facility’s confectionery line is powered by a custom, made to order cooking and mixing system. Recipes are programmed into the confectionery line’s operating system and are queued for production runs. Once the production run is initiated, pumping, and heating, mixing and cooking of formulations are executed in continuous automated process, requiring no human intervention.
- **Depositing Automation:**
 - A starchless confectionery mogul corrals the cooked cannabis infused confectionery and deposits the product into silicon molds; resulting deposit accuracy of greater than 99.5 per-cent. Flavours, colors and cannabis oil can be substituted during production runs, with no downtime required for changeovers.
 - The confectionery is then automatically cooled, demolded, sour sanded or oiled and then individually wrapped. From the moment ingredients arrive at the plant to the time products emerge as finished cannabis infused edibles; no manual processes or human intervention is required.
- **Packaging Automation:**
 - The Winnipeg Edibles Facility is equipped with industrial high-speed packaging infrastructure that can wrap, bag and bottle cannabis edibles at speeds exceeding 15,000 packages per hour. Excise stamps are robotically applied to the packages and they are packed into finished cases leveraging automated pick and place systems.

The Company’s Winnipeg Edibles Facility is also equipped with the ability to formulate and mass-produce certain cannabinoid-infused fruit/vegetable purees, which conform to the more rigorous cannabis 2.0 regulations instilled by the Province of Quebec. This unique product development capability will permit the capture of defendable market share of the edibles, topicals and concentrates industry in Canada’s second most populous province.

CONTRACT MANUFACTURING

AgraFlora continues to conduct advanced negotiations with its Tier 1 licensed producer peer group to develop and contract manufacture an array of cannabinoid edible confections. The Company is also proactively participating in provincial edibles product calls, as well as other mandated provincial edibles, topicals, and concentrates procurement activities. AgraFlora anticipates that the Winnipeg Edibles Facility will be fully operational by the first quarter of 2020.

EDIBLES EDUCATIONAL CAMPAIGN

AgraFlora also announces it is in the process of launching a national bilingual campaign dedicated to educating cannabis consumers regarding responsible consumption and secure storage of edibles products before they become available for sale in December.

Educational content will focus on identifying signs of overconsumption, understanding the differences in onset times and effects, along with cautions around mixing with alcohol and operating a motor vehicle while intoxicated. AgraFlora’s complete portfolio of cannabis 2.0 products, including but not limited to toffees, gummies and chocolates will include certified, lab-tested concentration of THC and CBD.

It is anticipated that AgraFlora’s edibles educational campaign will be launched across Canada and will be complemented on-line with digital and video assets, as well as radio and television advertisements.

THC OVERDOSE ANTIDOTE

In conjunction with the Company's edibles educational campaign, AgraFlora will also market and distribute its patent-pending THC overdose antidote, True Focus into the company's 17,500 North American points of distribution. Delivered to the end-consumer through a pocket-sized, user-friendly spray bottle, True Focus's revolutionary formulations are to be ingested in a sublingual (under the tongue) manner.

True Focus boasts nutraceutical formulations, coupled with an intuitive delivery system designed to mitigate the negative side effects associated with excessive THC consumption. The aforementioned product formulations are considered patent pending by way of a U.S. Patent and Trademark Office (USPTO) patent application.

Recreational cannabis consumption, for the purpose of achieving desired levels of euphoric or psychoactive effects can, at times, lead to adverse and unwanted side effects, given the lack of consistent dose distinction or historical use. True Focus's patent-pending formulation offers a unique solution to alleviating undesirable symptoms associated with a THC overdose. AgraFlora holds the exclusive Canadian True Focus sublicense, which permits the domestic marketing, distribution and development of True Focus's product suite and proprietary intellectual property portfolio.

About AgraFlora Organics International Inc.

AgraFlora Organics International Inc. is a growth oriented and diversified company focused on the international cannabis industry. It owns an indoor cultivation operation in London, ON and is a joint venture partner in Propagation Services Canada Inc. and its large-scale 2,200,000 sq. ft. greenhouse complex in Delta, BC. The Company is also retrofitting a 51,500-square-foot good manufacturing practice ("GMP") edibles manufacturing facility in Winnipeg, Manitoba. AgraFlora has a successful record of creating shareholder value and is actively pursuing other opportunities within the cannabis industry. For more information please visit: www.agraflora.com.

ON BEHALF OF THE BOARD OF DIRECTORS

Brandon Boddy
Chairman & CEO
T: (604) 398-3147

For additional information:

AgraFlora Organics International Inc.
Tim McNulty
E: ir@agraflora.com
T: (800) 783-6056

For French inquiries:
Remy Scalabrini, Maricom Inc.
E: rs@maricom.ca
T: (888) 585-MARI

The CSE and Information Service Provider have not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

Forward-looking Information Cautionary Statement

Except for statements of historic fact, this news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking

statements are based on the opinions and estimates at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements including, but not limited to delays or uncertainties with regulatory approvals, including that of the CSE. There are uncertainties inherent in forward-looking information, including factors beyond the Company's control. There are no assurances that the business plans for AgraFlora Organics described in this news release will come into effect on the terms or time frame described herein. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements. Additional information identifying risks and uncertainties that could affect financial results is contained in the Company's filings with Canadian securities regulators, which are available at www.sedar.com.