



810 – 789 West Pender Street
Vancouver BC V6C 1H2
Tel: 604.687.2308

ORGANIC FLOWER SETS RECORD DATE FOR FINAL AGRAFLORA DISTRIBUTION, ANNOUNCES 7-FOR-1 SHARE CONSOLIDATION AND ACQUISITION OF BENDU CAPITAL

News Release

VANCOUVER, British Columbia, May 27, 2020 - Organic Flower Investments Group Inc. (CSE: SOW)(FWB: 2K6)(OTC: QILFF) ("Organic Flower" or "OFIG" or the "Company") announces that it has set May 28, 2020 as the record date (the **"Record Date"**) for the final distribution (the **"Final Distribution"**) of common shares in the capital of AgraFlora Organics International Inc. (**"AgraFlora"**). As previously announced, the Company sold its cannabis industry focused downstream and product formulation portfolio to AgraFlora in Q2 2019. As consideration for the sale of the portfolio, the Company was issued an aggregate of 348,109,251 common shares of AgraFlora.

On June 12, 2020 (the **"Distribution Date"**) an aggregate of 282,072,834 common shares will be distributed to the shareholders of the Company as of the Record Date, on a pro-rata basis. Canadian shareholders as at the Record Date will be eligible to receive the Final Distribution. Non-resident shareholders will be entitled to receive the Final Distribution, net of any applicable withholding taxes. Organic Flower Shareholders with questions regarding the tax treatment of the Final Distribution should consult with their own tax advisors.

The Company announces that its Board of Directors has authorized the implementation of a consolidation (the **"Consolidation"**) of the Company's common shares (**"Shares"**) on the basis of one (1) post-Consolidation Share for every seven (7) pre-Consolidation Shares, effective May 29, 2020 (the **"Effective Date"**).

The Company currently has 312,379,370 Shares issued and outstanding. Following the Consolidation, there will be approximately 56,481,746 Shares issued and outstanding. No fractional Shares will be issued and any fractions of a Share will be rounded down to the nearest whole number of Shares. The exercise or conversion price and the number of Shares issuable under any of the Company's outstanding convertible securities will be proportionately adjusted upon Consolidation.

The Shares will start to be traded on the Canadian Securities Exchange (**"CSE"**) on a post-Consolidation basis, under the new CUSIP number 68622A201. The Company's Shares are expected to begin trading on a post-Consolidation basis on the CSE when the markets open on May 29, 2020.

Shareholders of record as at the Effective Date will receive a letter of transmittal providing instructions for the exchange of their Shares as soon as practicable following the Effective Date.

Other matters

The Company will withhold common shares of AgraFlora equal to 25% of the fair market value of the common shares of AgraFlora on the Distribution Date to satisfy the Non-Canadian Resident Shareholders' Canadian tax withholding obligation. In order to have the withholding tax rate reduced pursuant to one of Canada's bilateral tax treaties, the non-Canadian resident shareholder must complete and mail back to the Company a form NR301. Failure to do so will result in the Company withholding at the statutory 25% withholding tax rate. The form may be downloaded at <https://www.canada.ca/en/revenue-agency/services/forms-publications/forms/nr301.html>. Non-Canadian resident shareholders who hold their shares through a broker should contact their broker directly. They do not need to return a form to the Company. All non-Canadian Resident shareholders are urged to consult their own tax advisors with respect to this matter.

Furthermore, the Company announces that it entered into a definitive agreement on May 24, 2020, (the "**Agreement**") to acquire all of the issued and outstanding shares of privately-held Bendu Capital Limited ("**Bendu**") a non-arm's length party to the Company, to be effected by way of a three-cornered amalgamation between Organic Flower, Bendu and a wholly-owned subsidiary of Organic Flower (the "**Transaction**"). The Transaction is valued at 75,850,000 pre-Consolidation Shares of Organic Flower, giving the Transaction an approximate dollar value of \$3,034,000 as of the Company's closing price on May 22, 2020.

Bendu is a financial services company that manages a portfolio of financial instruments and marketable securities with a focus on cannabis and wellness industries. The Transaction was unanimously approved by the Board of Directors for Organic Flower and the Board of Directors of Bendu. The shareholder of Bendu has also unanimously approved the terms of the Transaction. A copy of the Agreement will be filed by Organic Flower with the Canadian securities regulators and will be available for viewing on the Company's profile on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com. A description of the Agreement will also be set forth in Organic Flower's material change report to be filed on SEDAR.

Organic Flower has also granted stock options to acquire a total of 39,537,222 pre-Consolidated Shares of the Company to certain Officers, Directors and Consultants of the Company. The options are exercisable at a price of \$0.05 per Share and expire five years from the date of grant.

The Company has also entered into debt settlement agreements ("**Settlement Agreements**") to settle outstanding cash payments owed to three creditors for \$500,000, for a loan payable and past management consulting services. A total of \$159,325 of the debt is owed to two insiders of the Company for management fees (the "**Insider Debt**"). The disinterested directors of the Company have approved the Settlement Agreements with each of the insiders. Pursuant to the Settlement Agreements, the Company will issue an aggregate of 7,142,857 pre-Consolidation Shares to the creditors at a deemed price of \$0.07 per Share.

All securities issued pursuant to the Settlement Agreements will be subject to a statutory hold period of four months plus a day from issuance in accordance with applicable securities laws.

The Insider Debt settlement is exempt from the valuation and minority shareholder approval requirements of Multilateral Instrument 61-101 ("MI 61-101") by virtue of the exemptions contained in sections 5.5(a)

and 5.7(1)(a) of MI 61-101 in that the fair market value of the consideration for the securities of the Company to be issued to the Insiders does not exceed 25% of its market capitalization.

ABOUT ORGANIC FLOWER INVESTMENTS

Organic Flower is an investment company, that specializes in investing into private and public companies engaged in a variety of industries, with a focus in the bio-medical, pharmaceutical, and naturopathic sectors, which may include medical or recreational cannabis. In particular, the investment mandate is focused on high return investment opportunities, the ability to achieve a reasonable rate of capital appreciation and to seek liquidity in our investments

ON BEHALF OF THE ORGANIC FLOWER INVESTMENTS GROUP INC. BOARD OF DIRECTORS

“Joel Dumaresq”

Joel Dumaresq
CEO, Director
+1 (604) 687-2038
info@sowcannabis.ca

Learn more about Organic Flower by visiting our website at: <https://sowcannabis.ca/>

THE CSE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ACCURACY OR ADEQUACY OF THIS RELEASE.

Notice Regarding Forward Looking Information:

This news release contains certain "forward-looking information" within the meaning of applicable Canadian securities law. Forward-looking information is frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or information that certain events or conditions "may" or "will" occur. This information is only a prediction. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking information throughout this news release. Forward-looking information includes, but is not limited to: political changes in Canada and internationally, future legislative and regulatory developments involving cannabis in Canada and internationally, AgraFlora's ability to secure distribution channels in international jurisdictions, competition and other risks affecting AgraFlora in particular and the cannabis industry generally. Without limiting the generality of the foregoing, the forward-looking statements herein include, among other things, AgraFlora's ability to develop the Delta Greenhouse Complex and the successful integration of Organic Flower's unique domestic downstream asset portfolio under the AgraFlora banner.

The forward-looking information contained in this release is expressly qualified by the foregoing cautionary statements and is made as of the date of this release. Except as may be required by applicable securities laws, the Company does not undertake any obligation to publicly update or revise any forward-looking information to reflect events or circumstances after the date of this release or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.