



AGRAFLORA ORGANICS INTERNATIONAL INC.

- NEWS RELEASE -

AgraFlora Announces Farmako Supply Agreement of Proprietary THC Testkits to STADAPHARM

Wholly-Owned German Subsidiary Developed THC Testkits In-House to Help Pharmacists Identify Medical Cannabis

Vancouver, British Columbia / April 12, 2021 (Globe Newswire) – AgraFlora Organics International Inc. (“AgraFlora” or the “Company”) (CSE: **AGRA**) (Frankfurt: **PU31**) (OTCPK: **AGFAF**) is pleased to announce that its wholly-owned subsidiary, Farmako GmbH (“Farmako”) – a GDP certified pharmaceutical wholesaler with a focus on the cannabinoid therapy – has begun supplying STADAPHARM GmbH (“STADAPHARM”) with its proprietary THC Testkits (the “THC Testkits”). The THC Testkits were developed and produced by Farmako in-house and will be supplied to STADAPHARM as a tool for pharmacists to detect THC and identify medical cannabis flowers and extracts in an easy, quick and cost-efficient way.

STADAPHARM, which is responsible for the Specialty Pharmaceuticals business within the STADA Group, will be entering the medical cannabis market in the second quarter of 2021. The company will launch its own THC-containing cannabis flower products and extracts and will also offer the THC Testkits, developed and produced by Farmako, along with its own products to pharmacists for the identity testing of medical cannabis.

“Katrin and everyone at Farmako continue to demonstrate their ingenuity and passion for the cannabis industry in Germany. I am very proud of the team and commend their efforts to develop the THC Testkit in-house, obtain patent protection, bring it to market and secure the supply agreement with STADAPHARM,” said Elise Coppens, Chief Executive Officer and Director of AgraFlora.

“Discussion in the German cannabis market often circles around the high barriers for patients, suppliers, doctors and pharmacists. Therefore, we as Farmako want to facilitate easier access to cannabinoid therapy for patients with a high burden of suffering via fair prices, reliable supply and efficient service for healthcare professionals. For us, cooperation is an important element of competition, only in this way can we develop the market for the benefit of patients. Therefore, we are very happy about this partnership with STADAPHARM, a highly renowned pharma corporation,” commented Katrin Eckmans, CEO of Farmako GmbH.

Farmako has been supplying THC Testkits to pharmacies since December 2020. The THC Testkit, for which Farmako holds patent protection, facilitates identity testing of cannabis in only five minutes, without the need for further auxiliary devices or expensive reference substances – thus offering a better alternative to the time-consuming and costly thin layer chromatography method of identity testing pharmaceutical ingredients or medicines containing THC. Further, the THC Testkit has been validated by the German testing laboratory DSI-pharm, Quality Services International GmbH, regarding its specificity for the purpose of identifying cannabis flowers and extracts according to German Pharmacopoeia.

Farmako has been active as reliable supplier of medical cannabis flowers since beginning of 2019. In Q4 2020 the product portfolio was enhanced by pharma-grade CBD isolate (GMP) as well as the THC TestKit and IMC cannabis flowers. In the second quarter of 2021, Farmako will further complement its product range by offering its own high THC cannabis extracts at a fair price. In this way, Farmako takes root as a supplier with a comprehensive portfolio in the medical cannabis market and continues to present itself as reliable partner for the retail and wholesale market.

About AgraFlora Organics International Inc.

AgraFlora Organics International Inc. is a leading cannabis company building shareholder value through the development of revenue generating operating assets in the global cannabis industry. AgraFlora is focused primarily on the Canadian cannabis industry – the world’s most advanced and regulated legal cannabis market. Its flagship Canadian asset is Propagation Services Canada, a large-scale commercial greenhouse in Delta, BC focused on reshaping the Canadian flower market with high-potency, low-cost cannabis. In addition, AgraFlora’s wholly-owned subsidiary, Farmako GmbH, is focused on becoming Europe’s leading distributor of medical cannabis. Farmako currently has active distribution operations in Germany and expects to commence active operations in the United Kingdom in 2021. For more information about AgraFlora, please visit agraflora.ca and its profile page on SEDAR at www.sedar.com.

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