

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: **AgraFlora Organics International Inc.** (the "Issuer").

Trading Symbol: **AGRA**

Number of Outstanding Listed Securities: **340,834,315**

Date: **December 7, 2018**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

On November 7, 2018, the Issuer announced that it intends to change its name to "AgraFlora Organics International Inc." to better reflect the direction of the Issuer's business, as further described in Item 2 below.

On November 14, 2018, the Issuer announced that is has completed the name change from "PUF Ventures Inc." to "AgraFlora Organics International Inc." to better reflect the direction of the Issuer's business, as further described in Item 2 below.

On November 19, 2018, the Issuer announced progress of the retrofit of the large-scale greenhouse complex in Delta, BC, as further described in Item 2 below.

2. Provide a general overview and discussion of the activities of management.

On November 7, 2018, the Issuer announced that it intends to change its name to "AgraFlora Organics International Inc." to better reflect the direction of the Issuer's business.

Concurrent with the name change, the Issuer will be completing a subdivision of its issued and outstanding common shares (the "Shares") on the basis of five (5) new Shares for every one (1) Share held.

About PUF Ventures

PUF Ventures Inc. is a growth oriented and diversified company focused on the international cannabis industry. It has ownership in several cannabis companies including AAA Heidelberg and Propagation Services Canada in Canada, a large-scale greenhouse project in Australia and actively pursuing other opportunities within the cannabis industry. PUF has an option to purchase 100% of AAA Heidelberg Inc., an advanced applicant for an ACMPR license. For more information please visit: www.puf.ca.

On November 14, 2018, the Issuer announced that it has completed the name change from "PUF Ventures Inc." to "AgraFlora Organics International Inc." to better reflect the direction of the Issuer's business.

The Issuer's trading symbol has changed to "AGRA" on the Canadian Securities Exchange (the "CSE") and will remain as "PU3" on the Frankfurt Stock Exchange and as "PUFXF" on the OTC Pink sheets. The new CUSIP number for the Issuer's common shares is 00851F106 and ISIN is CA00851F1062.

The Issuer is also pleased to announce that, following the name change, the Issuer will have completed a subdivision (the "Stock Split") of its issued and outstanding common shares on the basis of five (5) new common shares for every one (1) common share held by the shareholders of record (the "Registered Holders") as at November 19, 2018 (the "Record Date"). Consequently, Registered Holders as of the Record Date will receive five additional common shares for each common share held. In accordance with the Issuer's Articles, shareholder approval was not required for the Stock Split.

Registered Holders do not need to take any action. The Issuer's transfer agent will send to all Registered Holders a notice under the direct registration system indicating the number of additional common shares that they received as a result of the Stock Split. These additional common shares will be held in book-entry form and registered electronically in the transfer agent's recordkeeping system, unless a physical share certificate is requested by the Registered Holder. Currently outstanding share certificates representing common shares of the Issuer will continue to be effective. They should be retained by Registered Holders and should not be forwarded to the Issuer or its transfer agent. Non-registered shareholders will have their brokerage accounts automatically updated to reflect the Stock Split.

After giving effect to the Stock Split, the Issuer will have approximately 340,671,315 common shares outstanding. The Issuer's authorized share capital will remain unchanged.

Outstanding stock options and share purchase warrants will also be adjusted by the Stock Split ratio and the respective exercise prices of outstanding stock options and share purchase warrants will be adjusted accordingly.

About AgraFlora Organics International Inc.

AgraFlora Organics International Inc. is a growth oriented and diversified company focused on the international cannabis industry. It has ownership in several cannabis companies including AAA Heidelberg and Propagation Services Canada in Canada, a large-scale greenhouse project in Australia and is actively pursuing other opportunities within the cannabis industry. AgraFlora Organics has an option to purchase 100% of AAA Heidelberg Inc., a licensed producer under the Access to Cannabis for Medical Purposes Regulations. For more information please visit: www.agraflora.com.

On November 19, 2018, the Issuer announced progress of the retrofit of the large-scale greenhouse complex in Delta, BC. The retrofit of the 2,200,000 square foot complex has been split into three phases: Phase 1 includes the retrofit of 350,000 square feet, including post-production facilities, completion scheduled for Q1 2019; Phase 2 includes an additional 1,450,000 square feet to be completed by Q4 2019; and the final phase consisting of 400,000 square feet. Initial activities of the retrofit include site preparation for propagation operations including 250,000 square feet of flowering area, development of standard operation procedures and completion of security audit and development of overall plan, plus ordering of long lead time items and planning with plant genetic experts in preparation for the first crop.

The Issuer is also pleased to provide an update to the previously announced Equity Participation and Earn-In Agreement (the "Agreement") with Delta Organic Cannabis Corp. ("DOCC"), a privately held Toronto-based cannabis investment company backed by preeminent leaders in Canadian cannabis enterprise, for up to a \$40 million investment at a price of approximately \$0.45 per AGRA share for the development of a large-scale, 2,200,000 square foot commercial medical cannabis cultivation operation in Delta, British Columbia.

The Issuer and DOCC have agreed to modify the Agreement payment terms announced on September 25, 2018 to the following draw down table:

- October 18, 2018, DOCC advanced \$12,500,000 for 5,572,755 Issuer Shares (pre-split);
- November 30, 2018, DOCC to advance \$7,500,000 for 16,718,265 post-split Issuer shares (3,343,653 pre-split shares);
- January 15, 2019, DOCC to advance \$5,000,000 for 11,145,510 post-split Issuer shares (2,229,102 pre-split shares);
- March 1, 2019, DOCC to advance \$15,000,000 for 33,436,530 post-split Issuer shares (6,687,306 pre-split shares).

Changes to the Agreement also result in modifications to the Earn-In Right to be exercised according to the following earn-in schedule from the Issuer's current 50% portion of Propagation Services Canada Inc. ("PSC"):

- DOCC has earned a 6.25% of PSC, by satisfaction of \$12,500,000 of the defined subscription obligation;
- DOCC shall earn an additional 3.75% (for a total of 10%) of PSC by satisfaction of a further \$7,500,000 of the defined subscription obligations;
- DOCC shall earn an additional 2.5% (for a total of 12.5%) of PSC by satisfaction of a further \$5,000,000 of the defined subscription obligations;
- DOCC shall earn an additional 7.5% (for a total of 20%) of PSC by satisfaction of a further \$15,000,000 of the defined subscription obligations

The proceeds of the subscriptions are to be used exclusively to develop the Delta propagation complex consisting of 2,200,000 square feet of illuminated greenhouse space and 1,700,000 square feet of "ebb and flood" irrigation space. This is an arm's length transaction and no finder's fees are to be paid.

The Issuer, a 35% shareholder of Solaris Nutraceuticals, also reports the Australian Office of Drug Control (ODC) has rejected Solaris' application for both a medicinal cannabis license and cannabis research license due to management's failure to provide certain documents and information in a timely manner. Key members of the Solaris board are currently collecting the missing documentation and information and hope to be in a position to submit the information within the 90-day appeal time frame.

About Delta Organic Cannabis Corp.

DOCC is Canadian focused vertically integrated cannabis company formed by some of the most successful early-movers in the space.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

None.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

None.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

None.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

None.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

Please see Item 2 above.

8. Describe the acquisition of new customers or loss of customers.

N/A.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

N/A.

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

None.

11. Report on any labour disputes and resolutions of those disputes if applicable.

None.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

None.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

N/A.

14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds
Common Shares	163,000 common shares	163,000 warrants exercised at \$0.08 per share	General working capital
Common Shares	272,537,052 common shares	272,537,052 common shares issued at a deemed price of \$0.195 per share	These shares were issued pursuant to a subdivision on the basis of 5 new shares for every 1 share held as at Nov 19/18
Common Shares	16,718,265 common shares	16,718,265 common shares issued at a deemed price of \$0.44861 per share	To grant DOCC an ownership interest in and to Propagation Services Canada Inc.

15. Provide details of any loans to or by Related Persons.

N/A.

16. Provide details of any changes in directors, officers or committee members.

N/A.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

Changes in commodity prices, in particular metal prices, and changes in the share performance of other junior mineral exploration companies may affect the Issuer's ability to raise financing.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: **December 7, 2018** _____.

Derek Ivany
Name of Director or Senior Officer

"Derek Ivany"
Signature

President, CEO & Director
Official Capacity

Issuer Details Name of Issuer AgraFlora Organics International Inc.	For Month End November 2018	Date of Report YY/MM/D 18/12/07
Issuer Address Suite 804 – 750 W. Pender Street		
City/Province/Postal Code Vancouver, BC V6C 2T7	Issuer Fax No. (604) 685.6905	Issuer Telephone No. 800.783.6056
Contact Name Derek Ivany	Contact Position President, CEO & Director	Contact Telephone No. 800.783.6056
Contact Email Address derek@agraflora.com	Web Site Address www.agraflora.com	