

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: AGRA

Number of Outstanding Listed Securities: 450,803,056

Date: April 18, 2019

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 March 8, 2019, the Issuer announced its intension to pursue a public listing on a major international stock exchange, as further described in Item 2 below.

On March 11, 2019, the Issuer announced it has retained Maricom Inc. ("Maricom") to provide investor relations services to the Issuer in compliance with regulatory guidelines, as further described in Item 2 below.

On March 20, 2019, the Issuer announced that it has initiated due diligence with respect to a potential partnership with Dixie Brands Inc. ("Dixie") (CSE: DIXLU) (OTC: DXBRF) (Frankfurt: 0QV), relating to the manufacture, sale and distribution of cannabis infused products within legalized markets in the European Union (the "EU"), as further described in Item 2 below.

Additionally on March 20, 2019, the Issuer announced that it is acquiring an additional 10% of the shares of Propagation Services Canada Inc. ("PSC") for \$14 million payable by common shares of the Issuer at a price of \$0.68 per share, equivalent to 20,588,235 common shares, as further describe in Item 2 below.

On March 25, 2019, the Issuer announced that it has closed a \$20 million third and fourth tranches of the \$40 million Equity Participation and Earn-In Agreement with DOCC and issued the third tranche of 44,582,040 common shares (the "Shares") of the Issuer at a deemed price of approximately \$0.45 per Share, as further describe in Item 2 below.

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

On March 8, 2019, the Issuer announced its intension to pursue a public listing on a major international stock exchange. Management is currently analyzing the strategic advantages of a potential listing on the Nasdaq, the New York Stock Exchange or the AIM, a division of the London Stock Exchange (“LSE”).

The Issuer has initiated due diligence on the Nasdaq, the New York Stock Exchange and the AIM, a division of the London Stock Exchange. The management team will examine all listing options and will select the stock exchange that will provide the Issuer with the most long-term benefits.

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 Service Canada and its large-scale 2,200,000 sq. ft. greenhouse complex in Delta, BC. The Company 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 March 11, 2019, the Issuer announced it has retained Maricom to provide investor relations services to the Issuer in compliance with regulatory guidelines. Maricom will work closely with the Issuer to develop and deploy a comprehensive capital markets strategy and campaign. Activities will include developing precise bilingual messaging, distributing that message cost-effectively and optimizing the Issuer's social media presence bilingually with Maricom’s social media team. This collaboration will help the Issuer reach out to a wider audience that will now include French speaking investors as well. Under the terms of engagement, Maricom has been retained for a 6-month period starting March 1, 2019 at \$3,500 per month.

About Maricom

Maricom is a Quebec-based firm who provide a fully bilingual investor relations service. Our focus is mainly in Quebec via a strong French network as well as extensive ties and direct relationships with Bay Street to ensure our clients has exposure throughout Canada and beyond.

On March 20, 2019, the Issuer announced that it has initiated due diligence with respect to a potential partnership with Dixie (CSE: DIXIU) (OTC: DXBRF) (Frankfurt: 0QV), relating to the manufacture, sale and distribution of cannabis infused products within legalized markets in the EU. The Issuer and Dixie have identified various synergies that exist across product portfolios and distribution networks and are assessing opportunities to capture market share in the EU to the mutual benefit of both companies.

With a population in excess of 500 million citizens, the EU represents a significant share of the global legalized cannabis market. France, the UK, and Spain are reviewing current legislation, while Germany, Italy, and the Netherlands are focusing on expanding existing medical programs. This has led industry reports to suggest Europe is likely to become the world’s largest legal cannabis market in the next five years. According to a research report by Prohibition Partners, the cannabis market in the EU may represent as much as €123 billion by 2028.

About Dixie Brands Inc.

Dixie Brands, through its licensed partners, has been formulating award-winning THC and CBD-infused products since 2009, and is expecting to double its manufacturing and distribution capabilities in 2019 in the U.S. as well as expand internationally, including Canada and Latin America. Dixie leads the global industry in the development, packaging design, product innovation and quality control for the commercial production of cannabis infused products. While Dixie started with a single flagship product, the Dixie Elixir (a THC-infused soda), it is now one of the industry's most recognized consumer brands, expanding to over 100 products across more than 15 different product categories representing the industry's finest edibles, tinctures, topicals and connoisseur grade extractions, as well as world-class CBD-infused wellness products and pet dietary supplements. Dixie's executive team has been instrumental in the formation of the cannabis industry for recreational and medicinal use, serving as founding members on several national regulatory and business-oriented industry organizations.

Additionally on March 20, 2019, the Issuer announced that it is acquiring an additional 10% of the shares of PSC for \$14 million payable by common shares of the Issuer at a price of \$0.68 per share, equivalent to 20,588,235 common shares. The transaction has been agreed to in principle and approved by both boards of directors of the Issuer and PSC. Following the transaction, the ownership of PSC will consist of the Issuer as to 60%, the Houwelings Partnership Group as to 30% and the investors of Delta Organics Cannabis Corp. (“DOCC”) as to 10%.

The Issuer is issuing common shares at \$0.68 per share which is an approximate 53% premium to the shares paid to DOCC at \$0.445 for its 20% purchase of PSC, as announced in November 2018. The 10% acquired by the Issuer comes from four shareholders of PSC who have shown confidence in the Issuer management team by converting their PSC shares into shares of the Issuer. This is an arm’s length transaction and no finder’s fees are to be paid.

Upon closing the final \$20 million payment of a previously announced financing, DOCC will receive an additional 10% from the Issuer and the Issuer will remain the majority shareholder with a 50% ownership position of PSC, with the Houwelings Partnership Group with 30% and the investors of DOCC with 20%. The Issuer’s 50% ownership of PSC will entitle it to 50% of the annual estimated production of 250,000,000 grams from the Delta Greenhouse Complex.

	Company	2020 Estimated Annual Capacity (in grams)	Current Market Capitalization (in CAN)
1	Aurora Cannabis	700,000,000	\$9,363,165,980
2	Canopy Growth Corp.	525,000,000	\$21,086,608,500
3	Aphria	255,000,000	\$3,431,750,100
4	AgraFlora & PSC*	250,000,000	\$274,616,000
5	Tilray	225,000,000	\$9,363,165,980
6	The Green Organic Dutchman	195,000,000	\$1,487,491,200
7	Cronos Group	150,000,000	\$9,449,098,000
8	OrganiGram Holdings	113,000,000	\$1,359,645,800
9	Hexo Corp.	108,000,000	\$1,936,048,000
10	CannTrust Holdings	105,000,000	\$1,375,432,800

(*2021, data source: public filings, company estimates, Motley Fool, Marijuana Index)

About Propagation Services Canada Inc.

Propagation Services Canada is a joint venture company focused on the cannabis flower and propagation market in Canada. Its Delta Greenhouse Complex covers approximately 2.2 million square feet and is one of the most technologically advanced greenhouses in North America, with an experienced staff, full propagation services, advanced HVAC, lighting and water systems and its own 8.8 MW powerplant.

On March 25, 2019, the Issuer announced that it has closed a \$20 million third and fourth tranches of the \$40 million Equity Participation and Earn-In Agreement with DOCC and issued the third tranche of 44,582,040 Shares of the Issuer at a deemed price of approximately \$0.45 per Share.

The Shares are being issued pursuant to the Equity Participation and Earn-In Agreement dated September 25, 2018 as amended on October 11, 2018, November 19, 2018 and March 22, 2019, with DOCC, a privately held Toronto-based cannabis investment company backed by preeminent leaders in Canadian cannabis enterprise.

With the funding of \$40 million, DOCC has earned a 20% economic interest in PSC, the Issuer retains a 50% economic interest and the Houwelings Group and partners own the remaining 30%.

The Issuer also announces, further to its news release dated September 14, 2018, it is proceeding with the issuance of 10,000,000 Shares at a deemed price of \$0.71 per Share to key personnel, including related parties, who are assisting with PSC and the 2.2 million square foot greenhouse project located in Delta, British Columbia (the “Delta Facility”) which was announced on June 29, 2018.

The Issuer further announces that, pursuant to a letter of intent dated May 22, 2018, it will be issuing an aggregate of 5,000,000 Shares to Cornelius Houwelings (the “Consultant”) as set out below:

Date of Issuance	No. of Shares
March 25, 2019	1,250,000
June 25, 2019	1,250,000
September 25, 2019	1,250,000
December 25, 2019	1,250,000
Total:	5,000,000

The Issuer has agreed to issue the Consultant an additional 5,000,000 Shares upon the achievement of the Delta Facility becoming 100% operational in cannabis.

The Issuer also announces that it is proceeding with the issuance of 281,690 Shares at a deemed price of \$0.71 per Share to Vendure Genetics Labs Inc. (the “Supplier”) pursuant to a supply agreement dated December 26, 2018, whereby the Issuer agreed to purchase certain plants, plant matter and related plant-based products from the Supplier for total consideration of \$200,000, payable in Shares.

About Delta Organics Cannabis Corp.

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

- 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.

Please see Item 2 above.

- 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.

- 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.

On March 11, 2019, the Issuer announced it has entered into a contractual relationship with Marciom Inc. Maricom Inc. is a non-related party of the Issuer.

- 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.

- 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.

- 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
Stock Options	20,400,000	20,400,000 stock options granted at \$0.55 per share	N/A
Common Shares	5,652,700	5,652,700 warrants exercised at \$0.08 per share	General working capital
Common Shares	44,582,040	44,582,040 common shares issued at \$0.44861 per share	Asset Acquisition
Common Shares	7,375,000	7,375,000 stock options exercised at \$0.168 per share	General working capital
Common Shares	3,000,000	3,000,000 stock options exercised at \$0.0.093 per share	General working capital
Common Shares	250,000	250,000 stock options exercised at \$0.128 per share	General working capital
Common Shares	3,000,000	3,000,000 stock options exercised at \$0.142 per share	General working capital

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: April 18, 2019 .

Derek Ivany
Name of Director or Senior Officer

"Derek Ivany"
Signature

President, CEO & Director
Official Capacity

<i>Issuer Details</i> Name of Issuer	For Month End	Date of Report YY/MM/D
AgraFlora Organics International Inc.	March 2019	19/04/18
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	