FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: <u>AgraFlora Organics International Inc.</u> the "AgraFlora").	_(the " I s	ssuer"	or
Trading Symbol: AGRA			
Number of Outstanding Listed Securities: 486,172,981			

Date: June 28, 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.

See Item 2 below for a complete overview and discussion of the Issuer's activities for the month of June 2019.

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

On June 4, 2019, the Issuer announced that its Joint Venture entity, Propagation Services Canada ("PSC"), continues to achieve material progress with regards to the retrofit and licensing of its flagship 2,200,000 square foot Delta Greenhouse Complex.

After a careful review of its anticipated final preparations and submissions, including its Affirmation of Readiness and Video Evidence Package (the "Evidence Package"), the Issuer anticipates, based on recent standard timelines for review and award and assuming no major required amendments or augmentations, the award of a cultivation licence from Health Canada by the fourth quarter of 2019.

Additionally, the Issuer reaffirms that the aforementioned Evidence Package will be finalized during the third quarter of 2019 and anticipates submission to Health Canada shortly thereafter. Upon extensive deliberations with PSC and its industry consultants, the Issuer's internal forecasts indicate that the inaugural harvest at the flagship Delta Greenhouse Complex is scheduled for the first quarter of 2020.

The Issuer also announces that all prerequisite cultivation infrastructure has landed on-site in Delta, BC, and has been secured prior to installation. Post-harvest equipment and supplies are en-route from Europe by way of airfreight and sea vessel and are anticipated to arrive within the required timeline for a Q4 harvest.

The retrofit for all applicable grow rooms located at the Delta Greenhouse Complex are complete and the Issuer reports that the installation of CCTV systems, as well as advanced perimeter and post harvest access controls will be completed by the second week of July.

On June 7, 2019, the Issuer announced that it has completed a transaction relating to the acquisition of downstream and product formulation portfolio (the "Assets") from Organic Flower Investments Group Inc. (CSE: SOW) (FWB: 2K6) (OTC: QILFF) ("Organic Flower" or "OFIG"). Pursuant to the terms of an executed Asset Purchase and Sale Agreement (the "Agreement"), this transaction reunites 70 percent of PSC, 2,200,000 square foot Delta Greenhouse Complex under a consolidated corporate umbrella.

Under the terms of the Agreement, the Issuer will issue 1.15 common shares in the capital of the Issuer for each one (1) issued and outstanding share of Organic Flower (the Consideration Shares"). It is anticipated that the Consideration Shares will be distributed to the shareholders of Organic Flower upon formal establishment of a record date.

As per the terms of the Agreement, the Issuer has acquired the following Assets from Organic Flower:

- 20% interest in the flagship 2,200,000 square foot Delta Greenhouse Complex;
- Exclusive trans-European distribution and GMP cannabis processing/finishing agreements comprised of 80,000 retail endpoints/pharmacies, spanning 16 countries; and,
- An array of domestic downstream/product formulation operations comprised of:
 - Joint-Venture ("JV") with one of North America's largest manufacturer and distributor of chocolate and sugar confectionary products;
 - Exclusive partnership with a leading Toronto-based Brewhouse with planned output capacity of over 200,000 HL per annum, to formulate, manufacture and distribute cannabinoid-infused beverages;
 - Canadian CBD cosmetics/topicals manufacturing company, equipped with a vertically integrated, farm-to-face model;
 - 76 acres of un-zoned agricultural land with 1,000 feet of river frontage in New Brunswick, including 17,500 square feet of commercial-grade facilities and 12 separate structures;
 - Health Canada awarded cannabis research licence and an Industrial Hemp License;
 - Exclusive North American contract manufacturing and distribution agreement with the world's first professional sports team to introduce its own branded CBD-infused performance product line;
 - Strategic procurement, warehousing, domestic/international product registration and regulatory representation capabilities;
 - Exclusive cannabinoid-infused supply and distribution agreement with a premier Canadian Bottler;
 - Sole Canadian manufacturer and distributor of an innovative beverage dispensing cap technology- equipped with a proprietary cannabinoid delivery mechanism;
 - Proprietary manufacturing process and formulation catalogue for a Nicorette-inspired medicinal cannabinoid product line;
 - Canadian exclusive rights to a catalogue of cannabinoid-infused product formulations;
 - Exclusive rights to a portfolio of 57 registered trademarks in Canada for a diversified range of cannabis products and services; and,
 - Sub-licensing agreement exclusive sub-license to market and distribute patent-pending "THC overdose antidote".

With the reunification of Organic Flower's 20% in PSC under a consolidated banner, the Issuer's interest in the projected 2020-funded production from the Delta Greenhouse Complex is forecasted to be 175,000,000-grams of premium dried cannabis flower. The Issuer's low-cost domestic cannabis production potential is further de-risked by a five year, 100,000,000-gram off-take agreement with ICC International Cannabis Corp. (CSE: WRLD.U) (FWB: 8K51) (OTC: WLDCF) ("ICC"), as well

as a 25,000,000-gram per annum off-take agreement with Namaste Technologies Inc. (TSXV:N) (FWB: M5BQ) (OTCQB: NXTTF) ("Namaste"); subject to approval of its cultivation and sales licenses by Health Canada.

Projected cannabis production from the Delta Greenhouse Complex, coupled with a previously announced revenue sharing and distribution arrangement with ICC, will afford the Issuer's the opportunity to capture significant cash flows at both the upstream and downstream layers of the cannabis value chain; realizing material exposure to both the wholesale and eventual retail distribution of dried cannabis into high-value European patient populations.

About Organic Flower Investments

Leveraging strategic relationships, proprietary investments and exclusive partnerships with preeminent international cannabis cultivators and formulators for the development of best in class products and brands to be marketed and distributed throughout our global footprint. Via its wholly owned subsidiary, Delta Organic Cannabis Corp., Organic Flower is launching one of the largest and most efficient cannabis facilities on the planet. Learn more about Organic Flower by visiting our website at: https://sowcannabis.ca/.

On June 14, 2019, the Issuer announced the following Q3 2019 – Q4 2020 operating guidance pertaining to its wholly owned AAA Heidelberg Facility ("AAA Heidelberg") including:

- Application and anticipated receipt of a Health Canada awarded Sales License;
- Application and anticipated receipt of a Health Canada awarded Processing License;
- Application and anticipated receipt of a Health Canada issued Export permit;
- Importation of a catalogue of premium craft cannabis genetics;
- Successful harvest of inaugural cannabis crop; and,
- Proposed export of finished cannabis form factors to emerging marketplaces, including India and Thailand.

AAA Heidelberg is a licenced cannabis cultivation facility under Health Canada's Access to Cannabis for Medical Purposes Regulations ("ACMPR"). The AAA Heidelberg facility is equipped with five partitioned flower rooms, affording the Issuer ample canopy earmarked for ultra-premium craft cannabis cultivation.

The Issuer is presently working to import a catalogue of premium craft cannabis genetics into its AAA Heidelberg facility, under a one-time declaration from Health Canada. Upon successful importation, the Issuer plans to initiate its first crop of ultra-premium cannabis at the London-based AAA Heidelberg facility.

Concurrently, the Issuer plans to apply to Health Canada for both sales and processing licenses, with the objective of producing finished cannabis form factors for domestic distribution including, but not limited to high margin products such as soft gels, tinctures, distillates and THC oils.

The Issuer also plans to conduct full analytical testing on terpene profiling and residual solvents for authorized clients upon receipt of appropriate licensing from Health Canada.

The Issuer is also considering submitting an application under Health Canada's Cannabis Act and Cannabis Regulations in accordance with Subsection 11(5) of the Cannabis Regulations, which would permit the Issuer to engage in the following value-added activities:

- The sale and distribution of dried cannabis, fresh cannabis, cannabis plants and cannabis plant seeds to any of the following licence holders: micro cultivation, standard cultivation, processing, analytical testing, research or cannabis drug licence;
- The sale and distribution of cannabis plants and cannabis plant seeds to a holder of a licence for a nursery;
- The sale and distribution of cannabis plants and cannabis plant seeds, that are cannabis products, to: a holder of a licence for sale, or a person authorized to sell cannabis under a provincial act by reason of Subsection 69(1) of the act;

• The sale and delivery of cannabis plants and cannabis plant seeds, that are cannabis products, to the purchaser of the products at the request of: a person authorized to sell cannabis under a provincial act by reason of Subsection 69(1) of the act, or a holder of a licence for sale.

Successful receipt of the above stated license would allow the Issuer to immediately engage in business-to-business ("B2B") sales to its strategic partners and/or other qualified licence holders under the Cannabis Act and Cannabis Regulations.

In addition, the AAA Heidelberg facility has begun preparations to submit an application package for an Export License under Health Canada's Cannabis Act and Cannabis Regulations. The Issuer anticipates successful receipt of an Export License in the next 120 calendar days.

On June 18, 2019, the Issuer announced the following corporate updates pertaining to the Issuer's vertically integrated cannabis ("THC") and cannabidiol ("CBD") asset portfolio.

Over the past four quarters, the Issuer has continued to deploy an assertive corporate acquisition stratagem, amassing a diverse portfolio of vertically integrated cannabis assets and industry partnerships. Culminating with the Issuer's recent acquisition of a suite of unique downstream and cannabinoid product formulation assets from Organic Flower, the Issuer now boasts the following upstream/downstream operations, partnerships, off-take agreements, exclusive licences and asset exposure:

70% OWNERSHIP STAKE IN PSC

Pursuant to the terms of the Agreement entered into with Organic Flower, the Issuer now controls 70% of PSC's flagship Delta Greenhouse Complex. The Delta Greenhouse Complex is equipped with 2.2 million square feet of dedicated cultivation area under glass and is widely considered to be one of the most technically advanced and environmentally efficient greenhouse operations in the world.

The Issuer continues to achieve material progress with regard to the retrofit and licensing of its bellweather Delta Greenhouse Complex. After a comprehensive review of its anticipated final preparations and submissions, including its affirmation of readiness and video evidence package, the Issuer anticipates, based on recent standard timelines for review and award and assuming no major required amendments or augmentations, the award of a cultivation licence from Health Canada by the fourth quarter of 2019.

Upon successful award of its aforementioned Health Canada cultivation license, the Delta Greenhouse Complex will hold claim to the highly coveted spot as the world's second largest cannabis cultivation operation under glass, with an estimated replacement cost of \$190,000,000.

The Issuer's internal corporate projections indicate that upon receipt its aforementioned cultivation license from Health Canada, the Issuer's Delta Greenhouse Complex will be the fourth largest Licensed Producer ("LPs") in Canada by 2020 funded production metrics (see Figure 1), strategically positioned in close proximity to Canada's largest cannabis economic centres; Toronto and Vancouver.

Issuer	2020 Estimated Annual Capacity (in grams)	Current Market Capitalization
Aurora Cannabis	700,000,000	\$10,272,832,000
Canopy Growth Corp.	525,000,000	\$19,036,764,000
Aphria	255,000,000	\$2,283,968,000
AgraFlora & PSC	251,250,000 ¹	\$173,852,000
Tilray	225,000,000	\$3,793,000,000
The Green Organic Dutchman	195,000,000	\$894,586,000

Figure 1.

¹ Forecasted production metrics derived upon achievement of optimized production at AAA Heidelberg and the Delta Greenhouse Complex.

Issuer	2020 Estimated Annual Capacity (in grams)	Current Market Capitalization
Cronos Group	150,000,000	\$6,910,173,000
OrganiGram Holdings	113,000,000	\$1,304,743,000
Hexo Corp.	108,000,000	\$1,930,895,000
CannTrust Holdings	105,000,000	\$944,630,000

The Issuer's forecasted production metrics are further substantiated the Delta Greenhouse Complex's industry-leading cultivation infrastructure, including:

- Fully integrated on-site natural-gas-powered power plant;
- Providing ample heat and electricity, while repurposing carbon dioxide emissions to benefit the plants;
- Proprietary energy-efficient air exchange;
- Advanced climate and humidity control management infrastructure;
- Ebb-and-flow watering systems to enhance complete irrigation recapture and water treatment;
- 1.5-million-gallon hot water storage tank configured to store energy produced during the day, for redistribution during non-peak hours, thereby increasing operational efficiencies and reducing associated energy costs; and,
- Multistage supplemental lighting augmented by natural sunlight to foster optimized illumination equilibrium.

ACMPR LICENSED AAA HEIDELBERG FACILITY

The Issuer's wholly-owned subsidiary, AAA Heidelberg is a licensed cannabis cultivation facility under Health Canada's ACMPR. The AAA Heidelberg facility is equipped with five partitioned flower rooms, affording the Issuer ample canopy earmarked for ultra-premium, artisanal craft cannabis cultivation.

Once fully optimized, it is forecasted that the AAA Heidelberg facility may achieve annualized dried cannabis production capabilities of circa one million grams, including the successful recapture of 225,000 grams of premium cannabis trim to be manufactured into ancillary value-added cannabis products.

The Issuer previously provided the following Q3 2019 - Q4 2020 operating guidance and licensing milestones pertaining to its AAA Heidelberg facility:

- Application and anticipated receipt of a Health Canada awarded sales licence;
- Application and anticipated receipt of a Health Canada awarded processing licence;
- Application and anticipated receipt of a Health Canada issued export permit;
- Proposed on-site dispensary as per Alcohol and Gaming Commission of Ontario (AGCO) regulations;
- Potential 1.5-million-purchaser catchment area within a 90-minute radius;
- Importation of a catalogue of premium craft cannabis genetics;
- Fully optimized production capabilities of circa one million grams of ultra-premium dried craft cannabis flower, with potential production expansion based off surplus cultivation areas contemplated;
- Successful recapture of 225,000 grams of premium cannabis trim to be manufactured into ancillary value-added cannabis products;
- Successful harvest of inaugural ultra-premium craft cannabis crop;
- Proposed export of finished cannabis form factors to emerging marketplaces, including India and Thailand, achieving unit contribution of up to \$15 per gram.

INDUSTRIAL HEMP LICENSE

The Issuer has applied for licensing with Health Canada under the industrial hemp regulations of the Cannabis Act. The Issuer anticipates that licence approval could be granted in the third quarter of 2019, which will subsequently equip The Issuer with the ability to seed, cultivate and harvest industrial hemp at its flagship Delta Greenhouse Complex.

Upon successful grant of an industrial hemp licence, the Issuer intends to aggressively pursue proprietary CBD cultivar development, as well as:

- Seedling development;
- Cultivar experimentation; and,
- Specialized fibre production.

The Issuer anticipates that upon achieving full scale production, its planned industrial hemp operations will provide ample feedstock for its unique portfolio of product formulation and downstream THC/CBD assets, including cannabinoid-infused beverages, edibles and topicals.

CANNABINOID-INFUSED CONFECTIONARY, CHOCOLATE AND EDIBLES MANUFACTURING

By way of an Agreement with Organic Flower, the Issuer controls an 80% interest in The Edibles and Infusions Corp. ("Edibles and Infusions"), a joint venture (the "JV") with one of North America's largest and most storied manufacturer and distributor of chocolate and sugar confectionary products.

The Issuer's JV partner was established nearly a century ago and has since become North America's largest confectionary fruit slice manufacturer, supplying products to over 20,000 locations across North America - most prominently Costco and Wal-Mart. The Issuer's JV partner currently manufactures and distributes several hundred unique stock keeping units ("SKUs").

The JV will design and develop a 50,000-square-foot manufacturing and product formulation facility, located in Winnipeg, Manitoba. The facility will be operated by a roster of experienced chocolatiers and confectioners, as well as equipped with state-of-the-art manufacturing equipment capable of producing an assortment of both cannabinoid/terpene-infused products for medicinal, functional and adult use, including:

- Gourmet snacks including caramel popcorn, cheese biscuits, cocoa cookies, glazed pecans and salty pretzels;
- Chocolates, toffees, caramels;
- Gummies, confectionary, gum;
- Baked goods;
- Flavoured tinctures;
- Powdered drinks; and,
- CBD- infused pet products.

Edibles and Infusions is working to finalize its applications for a Health Canada standard processing licence, as well as a cannabis sales licence. The Issuer anticipates the facility will be fully operational by the first quarter of 2020 and, once optimized, will be capable of generating in excess of \$750 million in annual sales revenue. Projected revenues are derived from logical assumptions including the facility achieving full capacity and the equipment operating seven days per week, 20 hours per day with all product being sold to downstream distributors, with the sales price based on current comparable retail pricing in the USA.

Existing downstream capabilities will be buoyed by one of Canada's leading sales forces, affording the JV the ability to secure immediate shelf space across all major retail channels, including:

- Groceries;
- Pharmacies;

- Convenience stores;
- Gas stations; and,
- Quick-service restaurants.

NON-ALCOHOLIC CANNABINOID-INFUSED BEERS AND CIDERS FORMULATION

Through an exclusive partnership agreement with a leading Toronto-based brewery (the "Brewhouse"), the Issuer holds claim to the exclusive formulation, manufacturing and distribution rights for all cannabinoid-infused beverages developed at said Brewhouse. Composed of a consortium of experienced brewery partners, the Brewhouse has completed multiple production runs for prominent European beverage brands, such as:

- Guinness;
- Augustiner; and,
- Innes & Gunn.

This exclusive partnership provides the Issuer with preeminent exposure to a collective of domestic and global brewery partners, as well as further crystallizes a leading production platform for the Issuer's cannabinoid-infused carbonated beverage product offering, including:

- Non-alcoholic beers;
- Seltzers; and,
- Ready-to-drink ("RTDs") beverages.

With its exclusive brewing partner, the Issuer plans to commence product formulation and batch testing during third quarter of fiscal 2019, with forecasted commercial production slated to begin in fourth quarter 2019.

Equipped with custom production equipment and a captive research, development and testing facility, as well as a state-of-the-art brewing infrastructure, the Brewhouse is armed with annual output capacity capabilities of 120,000 hectolitres ("hl"). By comparison, Canadian brewer Steam Whistle Brewing produces approximately 95,000 hl on an annualized basis.

The Brewhouse is nearing completion of major facility retrofit initiatives, which are projected to increase its output capacity to over 200,000 hl per annum. Upon completion of the retrofit, aggregate capital expenditures deployed on the Brewhouse build out will exceed \$20 million.

In addition, the Brewhouse possesses the ability to package both steel kegs and plastic one-way kegs in a plethora of fittings, and is equipped with a 24-head rotary canning line, capable of packaging a variety of container dimensions at a rate of over 100 million containers per year. The Brewhouse also boasts an adjoined tasting and viewing facility (the "Taproom") affording the Issuer the ability to showcase product launches, beer dinners, community events and gallery showings.

CBD-INFUSED/HEMP OIL COMESTICS MANUFACTURING

Via its wholly-owned subsidiary Canutra Naturals Ltd. ("Canutra"), the Issuer is equipped with cultivation, extraction, manufacturing and distribution capabilities from its flagship facility in Kent County, New Brunswick. Canutra manufactures and distributes premium skin care, cosmetics and cannabinoid product lines, including a suite of trusted consumer brands such as Whole Hemp Health; a Canadian all-natural, hand-made skin care line, formulated with organic hemp seed oil.

Canutra markets the Whole Hemp Health product line by way of brick-and-mortar retail outlets, Amazon Prime, as well as direct to consumer, through an integrated Shopify e-commerce platform.

Canutra's wholly owned subsidiary, Canutra Farms, owns and operates 76 acres of unzoned agricultural land with 1,000 feet of river frontage in Kent county, New Brunswick. Canutra Farms was formerly a federally owned farm and research facility and is equipped with over 17,500 square feet of commercial-grade facilities and 12 separate structures. Canutra Farms was granted an industrial hemp licence by Health Canada for its New Brunswick land parcel in 2017.

Canutra was also awarded a cannabis research licence by Health Canada in 2018. Additionally, Canutra boasts a research and development partnership with the Universite de Moncton ("UM"). Canutra will collaborate with UM to augment its portfolio of IP including:

- Optimized cannabis/hemp cultivation techniques;
- Extraction methodologies;
- Cultivar development;
- Inoculation formulations;
- Proprietary cannabinoid profiles for future skin care product lines.

Canutra's products are strategically manufactured in the same county as Canutra Farms, affording Canutra the ability to swiftly expand the breadth of its product line from its current SKUs to more than 40 SKUs.

This turnkey manufacturing infrastructure positions the Issuer to capitalize on current and future market trends in the rapidly expanding cannabis consumer products space. Canutra is finalizing the development phase of a suite of innovative SKUs including:

- Organic cosmetics with anti-aging properties;
- Shampoos and conditioners; and,
- Sunscreens.

CBD-INFUSED PERFORMANCE PRODUCTS

By way of an exclusive North American manufacturing and distribution agreement with the Toronto Wolfpack RLFC ("TWP") and HowlBrands, the Issuer is positioned at the nexus of the burgeoning CBD-infused performance products marketplace and the vast captive audience of professional sports.

In collaboration with TWP and HowBrands, the Issuer will leverage its unique downstream and product formulation asset portfolio to manufacture and distribute a suite of athlete-focused, CBD performance products, including:

- CBD-infused topical creams;
- Therapeutic relief balms;
- Sport pain CBD tinctures;
- CBD-infused soaks; and,
- CBD-infused roll-ons and healing sticks- engineered for optimal topical absorption.

The Issuer and HowlBrands are preparing to launch an inaugural CBD-infused SKU, Rugby Strength; a replenishing body topical cream infused with 125 milligrams of CBD extract, derived from organically grown cannabis sativa L.

Rugby Strength is uniquely formulated to optimize the transdermal absorption of CBD's analgesic, anti-inflammatory and anti-anxiety healing properties. HowlBrands and TWP aim to cater to professional and amateur sports teams, as well as individual athletes through diverse product offerings formulated to:

- Reduce the pain and discomfort resulting from intense and/or frequent wear and trauma on weight-bearing joints;
- Support reparation and recovery; and,
- Enhance fitness and performance.

NICORETTE-INSPIRED SUBLINGUAL CANNABINOID PRODUCT LINE

The Issuer has secured the exclusive North American rights to a proprietary manufacturing system, enabling the production of cannabinoid-infused therapeutic gum, chewable tablets and capsules.

The Issuer's next-generation line of medicinal-use cannabis products is inspired by popular demand of Nicorette's branded therapeutic products, boasts the following:

- Proprietary dual-delivery technology: advanced patented processes reduce surface tensions, increase binding of molecules and enable homogenous mixing;
- Rapid sublingual activation: optimized absorption methodologies facilitate a rapid onset within the first 15 minutes of application; and,
- Metabolism efficacy: metabolizes in the liver to create a more lasting effect.

LIBRARY OF PATENTED PRODUCT FORMULATIONS

The Issuer has also obtained the Canadian exclusive rights to a catalogue of cannabinoid-infused product formulations from a global formulation provider with over three decades of experience working with leading consumer product goods ("CPG") brands. The Issuer has engaged a roster of food engineers, nutritionists and scientists to optimize bioavailability, consistent dosing protocols and flavouring of the Issuer's licensed formulations.

The Issuer will continue to leverage its production and processing assets, while further activating its downstream activities by launching cannabinoid-infused beverages, edibles and personal care products; specifically formulated with patented micro diffusion technologies.

These proprietary formulation and manufacturing processes are specifically adapted to ensuring consistent dose delivery, while maintaining taste and texture integrity. The Issuer's patented formulations will be adjusted based on a various production variables, including:

- Altitude;
- Barometric pressures;
- Production time of day; and,
- Humidity.

BEVERAGE BOTTLING AND DOWNSTREAM DISTRIBUTION

The Issuer holds claim to a complementary exclusive cannabinoid-infused beverage supply and distribution agreement with a Canadian bottling facility (the "Bottler" or the "Facility"). The Facility is strategically situated in the Greater Toronto Area ("GTA"), affording the Issuer unbridled access to the largest addressable Canadian marketplace. The GTA is buoyed by established infrastructure, offering the flexibility to accommodate shipments from multiple ports and hubs across North America.

The Facility is equipped with state-of-the-art bottling equipment, configured to conduct rapid production runs, with minimal downtime for production line changeovers. Fully operational, the Facility has been granted the following industry certifications:

- Good manufacturing practices ("GMP");
- Canadian organic standards;
- Certified vegan;
- Fair trade certification ("ISO 17065"); and,
- Kosher facility status.

The Issuer will leverage the Facility to produce a suite of both cannabinoid-infused and functional beverages. The Facility is currently configured to produce formulations for water, coffee, tea, juice and carbonated sodas in a variety of formats, including glass bottles, polyethylene terephthalate ("PET") bottles and aluminum cans.

The Bottler has the capabilities to develop and produce premium beverages that exceed market standards, by leveraging innovative industry technologies, including:

- Pharmaceutical-grade mixing tanks;
- Advanced UV sterilization; and,

• Custom extended-shelf-life ("ESL") bottling lines.

UNIQUE CANNABINOID DELIVERY SYSTEMS INTELLECTUAL PROPERTY ("IP")

The Issuer controls the exclusive rights to a portfolio of disruptive cannabis beverage delivery assets and intellectual property (IP). This acquisition will position the Issuer as the industry's sole Canadian manufacturer and distributor of an innovative beverage dispensing cap technology, equipped with a proprietary cannabinoid delivery mechanism.

The Issuer will incorporate its planned cannabinoid-infused beverages lines with its patented pharmaceutical-grade dispensing cap technology, as well as advanced delivery mechanisms, providing optimized ingredient effectiveness for the end consumers. Refined over five years, with research and development expenditures of \$30 million, The Issuer will leverage its exclusive rights to a marquee dispensing cap technology and delivery mechanism to revolutionize the North American cannabinoid-infused beverage marketplace.

The state-of-the-art delivery technology is certified for health care and pharmaceutical applications; The Issuer anticipates that it will pioneer an elevated industry standard of quality.

The delivery mechanism boasts a patented airtight and moisture-resistant bottle cap to protect volatile ingredients such as cannabinoids, antibiotics, probiotics, vitamins and minerals resulting in superior shelf stability for infused bottled beverages. The dispensing cap technology allows for increased efficacy when compared with premixed beverages, which are susceptible to rapid nutrient deterioration.

THC OVERDOSE ANTIDOTE

The Issuer has been granted the Canadian exclusive sublicense (the "sublicense") for True Focus Canada's product suite and proprietary IP portfolio, including its patent pending 'THC Overdose Antidote'. The sublicense permits the exclusive domestic marketing, distribution and development of the aforementioned THC Overdose Antidote for a period of ten years.

With this exclusive sublicense, The Issuer is now armed with a suite of all-natural, 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.

Delivered to the end consumer through a pocket-sized, user-friendly spray bottle, True Focus's revolutionary formulations are designed to be ingested in a sublingual manner.

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 doses distinction or historical use. True Focus's patent-pending formulation offers a unique solution to alleviating undesirable symptoms associated with a THC overdose.

EXCLUSIVE REGISTERED TRADEMARK PORTFOLIO

By way of its wholly owned subsidiary, Trichome Cannabrands Inc. ("Trichome"), the Issuer has aggregated portfolio of 57 registered trademarks in Canada for a diversified range of cannabis products and services, including:

- Medicinal cannabis: for the relief of nerve pain, treatment of muscle spasms caused by multiple sclerosis, relief of nausea caused by chemotherapy, temporary relief of seizures and cannabis oil for the treatment of cancer;
- Recreational cannabis: on-line and retail sale of cannabis, cannabis-related products, derivatives of cannabis and natural health products containing cannabis;
- CBD-infused performance products: CBD oil for medical purposes, topical anesthetics, antibiotic cream and anti-inflammatory ointments;

- Packaging and vape products: packaging of cannabis, cannabis-related products, derivatives
 of cannabis and natural health products containing cannabis, and cannabis oil for electronic
 cigarettes;
- Cosmetics: makeup, beauty care cosmetics, eye cream, body creams, massage creams, massage oils, skin care preparations, body powders, body oils, bath soap, moisturizing skin lotions, body sprays used as personal deodorants and fragrances, non-medicated bath salts, exfoliating scrubs for the body, and bath oils;
- Candy, chocolate and edibles: cannabis oil for food and edible oils, chocolate bars infused with cannabis, brownies containing marijuana, chocolate, and sugar confectionery;
- Beverages and bottling: non-alcoholic fruit-based beverages, carbonated soft drinks, sports drinks, beverage flavourings, beverages made of coffee and tea;
- Cannabinoid infused beers and ciders: alcoholic-based beverages, alcoholic fruit beverages and alcoholic tea-based beverages.

Included in the portfolio of trademarks are regional airport codes, telephone area codes and other such recognizable regional identifiers that show significant branding potential for the cannabis space.

The Issuer intends to leverage these registered trademarks throughout a wide array of corporate branding exercises.

OFF-TAKE AND COMMERCIAL RIGHTS AGREEMENTS

Furthermore, the Issuer has secured commercial rights and off-take agreements with ICC as well as Namaste whereby ICC and Namaste may purchase up to 100,000,000 grams and 25,000,000 grams of premium dried cannabis from the Issuer's Delta Greenhouse Complex, respectively.

These off-take agreements will further de-risk the Issuer's low cost domestic cannabis production by providing the Issuer with the opportunity to capture significant cash flows at both the upstream and downstream layers of the cannabis value chain; realizing material exposure to both the wholesale and eventual retail distribution of dried cannabis into high-value domestic and international patient populations.

In addition, the Issuer and ICC have entered into a commercial rights agreement, affording the Issuer unencumbered access to cannabis processing/finishing at ICC's EU-GMP certified facilities.

In anticipation off-take delivery from the Issuer, ICC is architecting its first purpose-built, EU-GMP compliant cannabis processing, manufacturing and packaging facility. It is anticipated that ICC's finishing facility will function as a premier European cannabis-processing hub, through which:

- 1. Cannabis produced/procured from ICC's contract farming and off-take agreements can be securely shipped to the finishing facility;
- 2. Cannabis manufacturing and processing will then be initiated at ICC's finishing facility according to GMP-certified manufacturing specifications and standard operating procedures; and,
- **3.** The now finished GMP-certified cannabis can be packaged for export and/or leveraged as GMP-compliant cannabis inputs to produce a portfolio of diverse, designer product formulations.

GMP-certified cannabis products are eligible for import/export to the European Union, thus achieving higher margins, all while removing barriers to entry for the penetration of high-value EU patient populations. GMP certification is an internationally recognized system, mandated with ensuring all produced goods meet the highest consumer health and safety standard.

The aforementioned commercial rights and off-take agreements are contingent on The Issuer receiving its cultivation and sales licences from Health Canada for its Delta greenhouse complex operations.

EUROPEAN DISTRIBUTION AND COLLABORATION AGREEMENT

In addition, the Issuer has inherited a European distribution and collaboration agreement with ICC, affording the Issuer unbridled access to a trans-European distribution network is composed of

80,000 retail outlets and pharmacies, spanning 16 countries, including: Germany, the United Kingdom, Ireland, Denmark, Italy, France, Spain, Poland, the Netherlands and Greece.

The Issuer's European distribution network is augmented by various value-added services, including:

- Strategic procurement;
- Warehousing;
- Product registration;
- Regulatory representations.

The Issuer will remunerate International Cannabis according to a floating royalty matrix based on the net sales of products sold through ICC's European distribution channels.

Further to the Issuer's recently completed transaction relating to the acquisition of downstream and product formulation portfolio (the "Asset Portfolio") from Organic Flower (see June 7th, 2019 news release), the aggregate purchase price (the "Purchase Price") payable by the Issuer to Organic Flower for the Asset Portfolio shall be the issuance of an aggregate number of common shares in the capital of The Issuer that is equal to 1.15 multiplied by 302,703,697 (the "Payment Shares"), as fully paid and non-assessable.

The Issuer and Organic Flower also agree that with respect to the issued and outstanding convertible securities of the Issuer (the "Convertible Securities"), the holders thereof (the "Organic Flower Convertible Security Holders") shall have the option to exercise their respective Convertible Securities into either common shares in the capital of Organic Flower or The Issuer on identical terms and conditions of the Convertible Securities effective as at closing of the transaction. For greater certainty, the Convertible Securities may be exercised for either common shares of Organic Flower or common shares of The Issuer, and not common shares of both parties. The Issuer and Organic Flower will do all such acts and things as may be necessary or desirable, including without limitation, amending the certificates and documents evidencing the Convertible Securities, to assure that the exercise rights are fully effected. There will a voluntary 12-month hold period applied to all Convertible Securities exercised into the share capital of the Issuer.

On June 21, 2019, the Issuer announced operating milestones, licensing timelines and retrofit updates pertaining to its edibles manufacturing and distribution subsidiary, The Edibles and Infusions Corp. ("Edibles and Infusions"):

- Acquisition of its flagship 51,500 square foot edibles manufacturing facility located in Winnipeg, Manitoba;
 - September 2019 anticipated completion date for facility upgrades, including architectural, mechanical, electrical and security retrofits, as per Health Canada regulations;
- Existing distribution channels of 20,000 locations across North America, most prominently Costco and Wal-Mart;
- Roster of experienced chocolatiers and confectioners, established industry relationships and best-in-class supply chain management infrastructure;
- Several hundred SKUs already in production;
- Fiscal Q1 2020 delivery of fully automated manufacturing and depositing line for cannabinoid-infused gummies, chocolate, toffee, caramel and hard candy;
- Completion of a pharmaceutical grade, turnkey edibles research and development ("R&D") lab and product development facilities by August 2020;
- Forecasted receipt of Health Canada awarded processing and sales licenses by fiscal Q1 2020;
 - Engagement of 3 Sixty Risk Solutions Ltd. ("3 Sixty") and Cannabis License Experts for application acceleration and development of standard operating procedure ("SOPs")

- Advanced negotiations with Tier 1 Licenced Producer ("LPs") peer group to develop and contract manufacture an array of cannabinoid edible confections; and,
- Definitive discussions to secure national listings for CBD-infused functional foods across thousands of shelves in major grocers and retail locations.

AgraFlora controls an 80 per cent interest in Edibles and Infusions, a joint venture (the "JV") with one of North America's largest and most storied manufacturer and distributor of chocolate and sugar confectionary products. Upon successful receipt of appropriate Health Canada Licensing, the JV will produce an assortment of both cannabinoid/terpene-infused products for medicinal, functional and adult use, including but not limited to:

- Gourmet snacks, including caramel popcorn, cheese biscuits, cocoa cookies, glazed pecans and salty pretzels;
- Chocolates/toffees/caramels;
- Gummies/confectionary/gum;
- Baked goods;
- Powdered drinks;
- CBD-infused pet products.

The Issuer's JV partner was established nearly a century ago and has since become North America's largest confectionary fruit slice manufacturer, supplying products to over 20,000 locations across North America, most prominently Costco and Wal-Mart. Together, AgraFlora and Edibles Infusions will leverage extensive operating experience and existing industry relationship to:

- Expedite product to market;
- Design cutting-edge packaging protocols;
- Source superior raw product inputs; and,
- Develop premium product formulations.

Equipped with a roster of experienced chocolatiers and confectioners, as well as established industry relationships and best-in-class supply chain management infrastructure, AgraFlora's JV partner currently manufactures and distributes several hundred unique stock keeping units ("SKUs").

Edibles and Infusions anticipates its recently acquired 51,500 square foot edibles manufacturing facility will be fully operational by the first quarter of 2020 and, once optimized, will be capable of generating in excess of \$750 million in annual sales revenue. Projected revenues are derived from logical assumptions including the facility achieving full capacity and the equipment operating seven days per week, 20 hours per day with all product being sold to downstream distributors, with the sales price based on current comparable retail pricing in the United States.

Upon receipt of appropriate Health Canada licensing, AgraFlora will supply the JV with inputs for the edibles manufacturing process such as artisanal, ultra-premium dried cannabis flower, as well as premium cannabis trim from its Delta Greenhouse Complex and ACMPR licenced AAA Heidelberg facility. The Issuer's vertically integrated cannabis ecosystem will afford AgraFlora the ability to capture material revenues from upstream cultivation, to downstream product formulation/manufacturing/extraction and end retail distribution.

Once operational, and in receipt of all necessary tertiary licenses as required from a regulatory perspective, the true value of the Delta Greenhouse Complex will be crystallized via its ability to serve as a robust feedstock source for the myriad of downstream value added assets that are domiciled under the AgraFlora corporate banner. The successful implementation of full vertical integration will support increased efficiency across business channels and allow for maximum economic margin capture for the enterprise as AgraFlora moves into the next phase of cannabis normalization.

AgraFlora is also pleased to report that Edibles and Infusions continues to conduct advanced contract manufacturing negotiations with Tier 1 Canadian LPs. The Issuer is of the opinion the pursuit of edibles contract manufacturing agreements with its peer group will further bolster its balance sheet with another source of sustainable, de-risked cash flows.

On June 25, 2019, the Issuer announced operational guidance and retrofit updates pertaining to its ongoing facility expansion initiatives at the Brunswick Bierworks' facility (the "Brewhouse"), located in Toronto, Ontario:

- Increase of annual production capacities to over 130,000 hectolitres ("hl");
 - 30% increase over previous maximum volume capacity;
 - By comparison, Canadian brewer Steam Whistle Brewing produces approximately 95,000 hl on an annualized basis;
- Access to additional off-site contingent brewing capacity;
- Installation of dedicated cannabinoid-infused beverage packaging line equipped with four, six and 12 can capabilities;
 - Customized to incorporate AgraFlora's patented pharmaceutical-grade dispensing cap technology and advanced cannabinoid delivery mechanisms designed to protect volatile ingredients such as cannabinoids, antibiotics, probiotics, vitamins and minerals resulting in superior shelf stability for infused bottled beverages;
- Product formulation and batch testing projected to commence in fiscal Q3 2019;
 - Developed by a roster of brew masters to better replicate the profile of traditional alcoholic beverages;
- Forecasted commercial production scheduled for fiscal Q4 2019, corresponding with proposed Health Canada regulations;
- Planned development of an adjoined, dedicated cannabinoid-infused beverage tasting and viewing facility; and,
- Ongoing retrofit and required licensing of existing, on-site captive research, development and testing facility.

By way of an exclusive partnership agreement with prominent Canadian brewing collective Brunswick Bierworks, AgraFlora holds claim to the exclusive formulation, manufacturing and distribution rights for all cannabinoid-infused beverages developed at Brunswick's Toronto, Ontario Brewhouse. Equipped with custom production equipment, captive research, development and testing facilities, as well as established brewing infrastructure, the Brewhouse now boasts annual output capacity capabilities in excess of 130,000 hl.

AgraFlora and Brunswick Bierworks continue to aggressively pursue expansion activities at its state of the art Brewhouse. Upon completion of the facility retrofit and planned expansion initiatives, aggregate capital expenditures deployed on the Brewhouse will exceed C\$20 million. Composed of a consortium of experienced brewery partners, the Brewhouse has completed multiple production runs for prominent European beverage brands, such as:

- Guinness;
- Augustiner; and,
- Innes & Gunn.

Proprietary brewing processes and associated technologies firmly position the Brewhouse at the forefront of non-alcoholic, cannabinoid-infused beverage development. This partnership positions AgraFlora at the forefront of the Canadian cannabis beverage industry, affording the Issuer preeminent exposure to a collective of domestic and global brewery partners, as well as further crystallizes a leading production platform for the Issuer's carbonated beverage product offering, including:

- Non-alcoholic beers;
- Seltzers; and,
- Ready-to-drink ("RTDs") beverages.

The Brewhouse has also secured additional capacity for packaged products to be brewed off-site. Complementary off-site capacity augurs well for AgraFlora's mission to retain a first-mover advantage within the cannabinoid-infused beverage marketplace. Additionally, AgraFlora and Brunswick are finalizing the installation of a dedicated cannabinoidinfused beverage packaging line; with four, six and 12 can capabilities- customized to incorporate AgraFlora's patented pharmaceutical-grade dispensing cap technology and advanced cannabinoid delivery mechanisms. Designed to protect volatile ingredients such as cannabinoids, antibiotics, probiotics, vitamins and minerals, the Issuer's pharmaceutical-grade dispensing cap technology has shown to promote superior shelf stability for infused bottled beverages.

Together, these retrofit initiatives coupled with planned follow-on Brewhouse enhancements and operational modernizations represent a multi-million dollar capital investment that will usher in a new age in world-class carbonated beverage formulation, production and packaging.

AgraFlora is also pleased to announce the launch of the Issuer's redesigned website, which can be viewed on-line at <u>https://www.agraflora.com/</u>. The Issuer encourages all current and potential shareholders to visit the website and explore AgraFlora recently completed rebranding and redesign initiatives.

On June 27, 2019, the Issuer announced licensing guidance and operational updates pertaining to its cannabinoid-infused beverage bottling facility (the "Facility") situated in the Greater Toronto Area:

- Successful submission of all required application documents to Health Canada for a fiveyear Research License under the Cannabis Act;
 - End of Q3 2019 anticipated award of Research License with research, development and testing activities to commence immediately thereafter;
 - Engagement of 3 Sixty Risk Solutions Ltd. for application acceleration and development of standard operating procedure (SOPs), thus solidifying AgraFlora's pole position as a first mover in the Canadian cannabinoid-infused beverage marketplace;
- Build out of a on-site, dedicated cannabinoid research laboratory at its GMP-certified Facility;
 - Installation of state-of-the-art equipment for the weighing, handling and processing micro dosages of CBD and THC compounds, including magnetic mixers, homogenizers and high pressure liquid chromatograph ("HPLC");
- On-going bottling line retrofit initiatives to deliver products ranging from functional (CBDinfused) water and juice based beverages to THC-infused coffees and teas in a number of formats including, glass bottles, polyethylene terephthalate ("PET") bottles and aluminum cans;
 - Annualized throughput of up to 30 million bottles;
 - Customized to incorporate Agraflora's patented pharmaceutical-grade dispensing cap technology and hermetically-sealed bottle cap cannabinoid delivery mechanisms designed to preserve the static state of CBD/THC extracts (https://agraflora.com/brands/health-cap-holdings/);
 - Developed over five-years, with research and development expenditures of over \$30 million;
 - Robust patent portfolio, including seven design patents, ten utility patents, as well as certified as a pharma grade medical device under three US Medical Patents;
- Exclusive care and control of a portfolio of established cannabinoid-infused product formulation recipes already featured in mature US marketplaces;
 - Refined by a consortium of food engineers, nutritionists and scientists to optimize bioavailability, consistent dosing protocols and flavouring

AgraFlora's cannabinoid-infused bottling Facility boasts extensive manufacturing experience for leading beverage brands, such as Heineken and SABMiller, as well as the Coca-Cola Company. The Facility is strategically situated in the Greater Toronto Area (the "GTA") affording the Issuer unbridled access to the largest addressable Canadian marketplace. The GTA is buoyed by

established infrastructure, offering the flexibility to accommodate shipments from multiple ports and hubs across North America.

With annualized throughput of up to 30 million bottles the Facility is equipped with state-of-the-art bottling equipment, configured to conduct rapid production runs, with minimal downtime for production line changeovers. Fully operational, the Facility has been granted the following industry certifications:

- Good manufacturing practices ("GMP");
- Canadian organic standards;
- Certified vegan;
- Fair trade certification ("ISO 17065"); and,
- Kosher facility status.

The Facility has submitted its application to Health Canada under the Cannabis Act for a five year Research License. Licensing is anticipated for the end of Q3 2019, with proposed research, development and testing activities to commence immediately thereafter. Upon successful award of the Research License, the Facility plans to immediately commence cannabinoid related research and development activities, including:

- Establishment of extraction protocols to isolate specific desirable compounds, including cannabidiol ("CBD"), tetrahydrocannabinol ("THC") and tetrahydrocannabivarin ("THCV")
- Cannabinoid extract infusion analysis relating to formulation and pilot batching;
- Identification of process and physiochemical product attributes and pair with analytically guided optimization;
- Development of optimized blend formulations for water solubility and shelf stability ratios/forms;
- High pressure homogenization to produce superfine emulsions from cannabis oil; and,
- Centrifugal partition chromatography to develop compounds in a powdered format.

In anticipation of its anticipated Health Canada issued Research License, the Facility has commenced retrofit initiatives including the build out of a cannabis research laboratory within its current GMP-certified premises. The secure laboratory will consist of state-of-the-art equipment for weighing, handling and processing micro dosages of CBD and THC compounds, including magnetic mixers, homogenizers and high pressure liquid chromatograph.

AgraFlora's cannabis-infused beverages will leverage patented pharmaceutical-grade dispensing cap technology, as well as advanced delivery mechanisms to provide optimized ingredient effectiveness for the end consumers. With a simple twist of the cap, this intuitive technology enables the blending of premium, preserved cannabinoids into an assortment of bottled liquids, ensuring the consumer receives the full range of functional benefits at the moment of consumption.

The delivery mechanism boasts a patented airtight and moisture-resistant bottle cap to protect volatile ingredients such as cannabinoids, antibiotics, probiotics, vitamins and minerals resulting in superior shelf stability for infused bottled beverages. The dispensing cap technology allows for increased efficacy when compared with premixed beverages, which are susceptible to rapid nutrient deterioration.

Refined over five years, with research and development expenditures of \$30 million, AgraFlora plans to deploy its exclusive rights to a marquee dispensing cap technology and delivery mechanism to revolutionize the North American cannabinoid-infused beverage marketplace.

The Issuer is also pleased to announce to appointment of Mr. Peter Nguyen as Chief Financial Officer. Mr. Nguyen is a Chartered Professional Accountant and holds a degree from the University of British Columbia. He is an officer and director of several reporting companies listed on the TSX Venture Exchange and the CSE with both domestic and international operations. Mr. Nguyen has held senior financial positions for both public and private companies where he provided assurance, corporate finance, tax and business advisory services

AgraFlora also announces the resignation of Mr. Chris Cherry as Chief Financial Officer. The Issuer would like to sincerely thank Mr. Cherry for his many years of services to date, and wishes him the best of luck with his future endeavours.

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.

See Item 2 above.

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.

See Item 2 above. None of the parties to any agreements referenced in Item 2 are Related Parties of the Issuer.

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.

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.

See Item 2 above.

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.

N/A.

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.

Christopher P. Cherry resigned as CFO and Peter Nguyen was appointed as CFO effective June 27, 2019.

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 and changes in the share performance of other 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: June 28, 2019

Brandon Boddy Name of Director or Senior Officer

<u>"Brandon Boddy"</u> Signature

Chairman, CEO & Director Official Capacity

<i>Issuer Details</i> Name of Issuer	For Month End	Date of Report YY/MM/D		
	L	19/06/28		
AgraFlora Organics International Inc. Issuer Address	June 2019	19/00/28		
Suite 804 – 750 W. Pender Street				
City/Province/Postal Code Vancouver, BC V6C 2T7	Issuer Fax No. (604) 685.6905	Issuer Telephone No. 604.682.2928		
Contact Name Brandon Boddy	Contact Position Chairman, CEO & Director	Contact Telephone No. 604.682.2928		
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