

**AMENDMENT NO. 3 TO THE  
EQUITY PARTICIPATION AND EARN-IN AGREEMENT**

THIS AGREEMENT is dated as of the 15<sup>th</sup> day of November, 2018 (the “**Amendment**”)

BETWEEN:

**AGRAFLORA ORGANICS INTERNATIONAL INC.** (formerly PUF Ventures Inc.), a company duly existing under the laws of British Columbia and having its head office at 804 – 750 West Pender Street, Vancouver, British Columbia, V6C 2T7;

(hereinafter referred to as “**AgraFlora**”)

AND:

**1180782 B.C. LTD. operating as DELTA ORGANIC CANNABIS CORP.**, a company duly existing under the laws of British Columbia;

(hereinafter referred to as “**DOCC**”)

(collectively, the “**Parties**”)

**WHEREAS:**

A. AgraFlora entered into an equity participation and earn-in agreement dated September 25, 2018 with DOCC, as amended on October 11, 2018 and October 25, 2018 (collectively, the “**Agreement**”) whereby (i) DOCC agreed to acquire an equity interest in AgraFlora by committing up to \$40 million for the furtherance of the lease obligations, construction expenses, and operational expenses of Houwelings Delta propagation facility and (ii) AgraFlora granted to DOCC an option to acquire up to 19.9% of outstanding common shares of AgraFlora and a 20% interest in Propagation Services Canada Inc., each pursuant to the terms and conditions thereof;

B. On October 18, 2018, DOCC advanced \$12,500,000 to AgraFlora in exchange for 5,572,755 common shares of AgraFlora and, as a result, earned 6.25% of AgraFlora’s interest in Propagation Services Canada Inc. (“**PSC**”);

C. On November 14, 2018, AgraFlora announced (i) the completion of its name change from “PUF Ventures Inc.” to “AgraFlora Organics International Inc.” and would commence trading on the Canadian Securities Exchange under the new name and trading symbol, AGRA effective November 16, 2018, and (ii) a forward stock split on the basis of five (5) new common shares for every one (1) common share held by the shareholders of AgraFlora as of November 19, 2018 (the record date) (the “**Stock Split**”) and that AgraFlora’s common shares would commence trading on a split-adjusted basis on November 16, 2018;

D. Effective November 16, 2018, after giving effect to the Stock Split, the issued and outstanding common shares of AgraFlora will increase from 68,134,263 common shares to 340,671,315 post-split common shares;

E. After giving effect to the Stock Split, the total amount of common shares in the capital of AgraFlora to be purchased by DOCC pursuant to the Agreement is 89,164,080; and

F. The Parties wish to amend the second advance of funds by DOCC to AgraFlora from November 15, 2018 to November 30, 2018.

**THIS AGREEMENT WITNESSES** that in consideration of the mutual covenants and premises contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Paragraphs 1.1(b), (c) and (d) of the Agreement are hereby deleted in its entirety and replaced with the following:

“(b) On or before November 30, 2018, DOCC shall advance \$7,500,000 in subscription proceeds in exchange for **16,718,265** post-split Common Shares, such funds to be remitted to PSC by PUF and allocated exclusively for construction draw downs on the Facility (\$5,000,000), additional long lead items in respect of the improvements on the Facility (\$2,500,000), and such other use of proceeds as more fully described in Schedule I attached hereto.”

(c) On or before January 15, 2019, DOCC shall advance \$5,000,000 in subscription proceeds in exchange for **11,145,510** post-split Common Shares, such funds to be remitted to PSC by PUF and allocated exclusively for construction draw downs on the Facility and such other use of proceeds as more fully described in Schedule I attached hereto.

(d) On or before March 1, 2019, DOCC shall advance \$15,000,000 in subscription proceeds in exchange for **33,436,530** post-split Common Shares, such funds to be remitted to PSC by PUF and allocated exclusively for ongoing operational expenses of the Facility (\$10,000,000), pre-payment on the Facility lease (\$5,000,000), and such other use of proceeds as more fully described in Schedule I attached hereto.”

2. A new paragraph 1.3 is added to the Agreement as follows:

“Following DOCC’s satisfaction of the advances set forth in Paragraphs 1.1(a) and (b), in the event DOCC does not satisfy a payment as set forth in Paragraphs 1.1(c) or 1.1(d), either party shall have the right to terminate this Agreement, in which case neither party shall have any further obligations hereunder and all equity earned by DOCC pursuant to sections 1 and 2 up to the date of such termination will vest in DOCC and remain unaffected.”

3. In all other respects the Agreement shall continue in full force and effect.

4. This Amendment shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

5. This Amendment may be executed in any number of counterparts and by facsimile with the same effect as if all Parties to this Agreement had signed the same document and all counterparts will be construed together and will constitute one and the same instrument and any facsimile signature shall be taken as an original.

**IN WITNESS WHEREOF** the Parties have executed this Amendment as of the day and year first set above.

**1180782 B.C. LTD. operating as DELTA  
ORGANIC CANNABIS CORP.**

**AGRAFLOA ORGANICS  
INTERNATIONAL INC.**

By: “Christopher MacIntyre”  
Name: Christopher MacIntyre  
Title: President and Director

By: “Derek Ivany”  
Name: Derek Ivany  
Title: Chief Executive Officer