

**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1: Name and Address of Reporting Issuer**

AgraFlora Organics International Inc. (formerly PUF Ventures Inc.) (the “**Company**”)  
#804-750 West Pender Street  
Vancouver, BC V6C 2T7

**Item 2: Date of Material Change**

November 14, 16 and 19, 2018.

**Item 3: News Release**

A news release was issued and disseminated on November 14, 2018 and November 19, 2018 and filed on SEDAR ([www.sedar.com](http://www.sedar.com)).

**Item 4: Summary of Material Changes**

The Company announced that it has changed its name, completed a subdivision of its common shares, provided an update on its greenhouse project in Delta, BC and amended a material agreement. See Item 5 for details.

**Item 5: Full Description of Material Change**

On November 14, 2018, the Company announced that, further to its news release of November 7, 2018, it has completed the name change from “PUF Ventures Inc.” to “AgraFlora Organics International Inc.” to better reflect the direction of the Company’s business.

The Company’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 Company’s common shares is 00851F106 and ISIN is CA00851F1062.

The Company has been advised by the CSE that the common shares will commence trading under the new name effective at the opening of trading on November 16, 2018.

The Company is also pleased to announce that, following the name change, the Company 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 Company’s Articles, shareholder approval was not required for the Stock Split.

The Company’s common shares are expected to commence trading on a split-adjusted basis on November 16, 2018.

Registered Holders do not need to take any action. The Company’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 Company will continue to be effective. They should be retained by Registered Holders and should not be

forwarded to the Company 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 Company will have approximately 340,671,315 common shares outstanding. The Company'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.

On November 19, 2018, the Company reported on the 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 Company 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.

AGRA 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 PUF Ventures Shares (pre-split);
- November 30, 2018, DOCC to advance \$7,500,000 for 16,718,265 post-split AgraFlora shares (3,343,653 pre-split shares);
- January 15, 2019, DOCC to advance \$5,000,000 for 11,145,510 post-split AgraFlora shares (2,229,102 pre-split shares);
- March 1, 2019, DOCC to advance \$15,000,000 for 33,436,530 post-split AgraFlora 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 AGRA'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 Company, 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 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.

**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](http://www.agraflora.com).

**Item 6: Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

**Item 7: Omitted Information**

None.

**Item 8: Executive Officer**

For further information, please contact:

Tim McNulty

T: 1 (800) 783.6056 Ext. 3

E: [ir@agraflora.com](mailto:ir@agraflora.com)

**Item 9: Date of Report**

November 19, 2018.