



AgraFlora Organics and Dixie Brands to Explore Partnership Targeting the European Union

VANCOUVER and DENVER, March 20, 2019 /CNW/ - **AgraFlora Organics International Inc.** ("**AgraFlora**") (the "**Company**") (CSE: AGRA) (Frankfurt: PU31) (OTCPK: PUFXF), a growth oriented and diversified international cannabis company, is pleased to announce it has initiated due diligence with respect to a potential partnership with Dixie Brands Inc. ("**Dixie**") (CSE: DIXI.U) (OTC: DXBRF) (Frankfurt: 0QV), relating to the manufacture, sale and distribution of cannabis infused products within legalized markets in the European Union (the "EU"). AgraFlora 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.

"Our goal is to become one of the leading global CPG companies in the cannabis industry, known around the world for our broad portfolio of great tasting high-quality branded products," said Chuck Smith, President of Dixie Brands. "The European Union is a significant opportunity with more and more countries embracing medical cannabis and cannabis-based products. By exploring these opportunities with AgraFlora, we can leverage our experience in the United States to bring high-quality products to the European market."

"Dixie has been producing award-winning cannabis-infused products for almost ten years and the Dixie brand has become a household name amongst cannabis consumers in the United States," said Derek Ivany, President and CEO of AgraFlora Organics. "We are eager to explore opportunities that bring AgraFlora's production capabilities together with this leading cannabis consumer brand to the rapidly growing European marketplace. I have a strong personal belief that the extensive product portfolio and brand recognition that Dixie has built in the U.S. will garner significant support in the EU. Chuck Smith, the President and CEO of Dixie, is a well-respected pioneer in cannabis industry and we at AgraFlora are enthusiastic about the opportunity to work alongside him and his team."

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.

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 Inc. 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 BEHALF OF THE BOARD OF DIRECTORS

Derek Ivany
President & CEO

No stock exchange or securities regulatory authority has reviewed or accepted responsibility for the adequacy or accuracy of this release.

Some of the statements contained in this release are forward-looking statements, such as estimates and statements that describe the Issuer's future plans, objectives or goals, including words to the effect that the Issuer or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties.

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