

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: Name and Address of Reporting Issuer

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

Item 2: Date of Material Change

March 22 and 25, 2019.

Item 3: News Release

A news release was issued and disseminated on March 25, 2019 and filed on SEDAR (www.sedar.com).

Item 4: Summary of Material Changes

The Company announced that further to its news releases dated September 25, 2018, October 11, 2018, November 19, 2018, December 10, 2018 and February 28, 2019, it has closed a \$20 million third and fourth tranches of the \$40 million Equity Participation and Earn-In Agreement with Delta Organic Cannabis Corp. (“DOCC”) and issued the third tranche of 44,582,040 common shares (the “Shares”) of the Company at a deemed price of approximately \$0.45 per Share.

The Company also announced various other issuances of Shares pursuant to certain agreements and the achievement of certain milestones, as further detailed in Item 5 below.

Item 5: Full Description of Material Change

The Company announced that further to its news releases dated September 25, 2018, October 11, 2018, November 19, 2018, December 10, 2018 and February 28, 2019, 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 Company 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 Delta Organic Cannabis Corp., 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 Propagation Services Canada Inc., AgraFlora retains a 50% economic interest and the Houwelings Group and partners own the remaining 30%.

The Company also announced that 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 Propagation Services Canada 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 Company further announced 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 Company 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 Company also announced 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 Company agreed to purchase certain plants, plant matter and related plant-based products from the Supplier for total consideration of \$200,000, payable in Shares.

The Shares are subject to a statutory four-month hold period.

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 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 experience staff, full propagation services, advanced HVAC, lighting and water systems and its own 8.8 MW powerplant.

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.

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:

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Item 9: Date of Report

April 2, 2019.