



AGRAFLORA ORGANICS INTERNATIONAL INC.

NEWS RELEASE

AgraFlora Organics Deploys Patented, Pharma-Grade Cannabinoid Delivery Bottle Cap Technology at GMP Certified Toronto, ON Bottling Facility

Vancouver, British Columbia / July 9th, 2019 – AgraFlora Organics International Inc. (“AgraFlora” or the “Company”) (CSE: AGRA) (Frankfurt: PU31) (OTCPK: PUFXF), a growth oriented and diversified international cannabis company, is pleased to provide the following Phase 1 product development and facility retrofit guidance pertaining to the integration of its patented, pharma-grade beverage dispensing cap technology (the “Twist & Release Dose Cap”) at the Company’s fully operational, GMP certified Toronto, ON bottling facility (the “Bottling Facility”):

- Ongoing Twist & Release Dose Cap bottling line customization, equipment installation and GMP integration to facilitate the rapid production of cannabinoid-infused beverages including:
 - Functional water, juices, coffees and teas in a number of formats including glass bottles, polyethylene terephthalate (“PET”) bottles and aluminum cans;
 - Configured to achieve annual throughput of up to 30 million bottles, while minimizing downtime of production changeovers;
- Construction of a partitioned GMP certified clean room for the manufacturing and assembly of its patented Twist & Release Dose Cap units;
- Manufacturing of 25,000 Twist & Release Dose Cap units for internal testing, prototyping and R&D purposes;
- Finalized purchase order for 1,900,000 Twist & Release Dose Cap units for mass production, further solidifying AgraFlora’s position as a first mover within the cannabinoid-infused beverage vertical:
 - Sole Canadian manufacturer and distributor of the Twist & Release Dose Cap, certified for health care and pharmaceutical applications: <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, 10 utility patents, as well as certified as a pharma-grade medical device under three U.S. medical patents;
 - Exclusive care and control of a portfolio of established cannabinoid-infused product formulation recipes already featured in mature U.S. marketplaces;
- Initiation of Phase 2 product development initiatives, leveraging patented pharmaceutical-grade dispensing cap technology, as well as advanced delivery mechanisms to provide optimized ingredient effectiveness for the end consumers; and,
- Purchasing of additional, state-of-the-art bottling line equipment forecasted to increase Twist & Release Dose Cap production capabilities by nearly a factor of two.

By way of an exclusive licensing agreement, AgraFlora is positioned as the industry's sole Canadian manufacturer and distributor of the Twist & Release Dose Cap, a patented pharmaceutical-grade dispensing cap technology and hermetically sealed bottle cap cannabinoid delivery mechanisms designed to preserve the static state of CBD/THC extracts.

AgraFlora's patented, pharma-grade dispensing cap technology coupled with its state-of-the-art Bottling Facility affords the Company the ability to immediately begin prototyping and product development for a suite of cannabinoid-infused beverages; thus preserving its first-mover advantage within the infused beverage arena.

Equipped with airtight and moisture-resistant bottle cap technology to protect volatile ingredients such as cannabinoids, antibiotics, probiotics, vitamins and minerals, the Twist & Release Dose Cap is engineered to provide optimized ingredient effectiveness for the end consumers. The Company's intuitive cannabinoid-infused delivery technology enables the fresh release of premium and blended medicinal ingredients and/or cannabinoids into an assortment of bottled liquids; resulting in superior shelf stability and increased efficacy when compared with premixed beverages, which are susceptible to rapid nutrient deterioration.

AgraFlora's Bottling Facility, which is currently fully operational, can achieve an annual throughput of up to 30 million bottles and is outfitted with state-of-the-art bottling equipment configured to conduct rapid production runs. Upon receipt of required Health Canada issued licenses, the Bottling Facility will have the capability to deliver products ranging from cannabinoid-infused functional water and juice based beverages to coffees and teas.

Brandon Boddy, Chairman and Chief Executive Officer of AgraFlora stated: "With the integration of our patented, pharma-grade Twist & Release Dose Cap, the Company's Toronto, ON Bottling Facility is arguably the industry's premier one-stop craft production facility for cannabinoid-infused beverages.

Already certified with GMP, organic, vegan, Fair Trade and kosher status, our Bottling Facility is currently undergoing the appropriate licensing for the forthcoming Health Canada edibles and cannabis beverages regulations. Outfitted with unique tanks designed for craft quality cold brew coffee and tea, AgraFlora's Bottling Facility boasts the most advanced setup of its kind in Canada

Refined over five years, with research and development expenditures of \$30 million, we will leverage our exclusive rights to a marquee dispensing cap technology and delivery mechanism to revolutionize the North American cannabinoid-infused beverage marketplace. We urge both current and prospective shareholders alike to witness the instagrammable nature of our proprietary Twist & Release Dose Cap, by viewing the following viral delivery design video available at <https://agraflora.com/brands/health-cap-holdings/>.

AgraFlora plans to offer thoughtfully curated beverage blends to enhance human performance with three core formulations: energy, relax and recover. Through prototyping initiatives, we have successfully paired the Twist & Release Dose Cap with market-tested formulations to develop drinks that are expected to champion innovation within the cannabinoid-infused beverage industry."

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.

ON BEHALF OF THE BOARD OF DIRECTORS

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