



AGRAFLORA ORGANICS INTERNATIONAL INC.

AgrFlora Applauds Former Portfolio Company Natures Hemp's Acquisition of Holy Crap Breakfast Cereal; Strengthens Brand Presence and Distribution Footprint in Functional Food and Wellness Category

NEWS RELEASE

AgraFlora Organics

Vancouver, British Columbia / August 27th, 2019 – AgraFlora Organics International Inc. (“AgraFlora” or the “Company”) (CSE: AGRA) (Frankfurt: PU31) (OTCPK: AGFAF), a growth oriented and diversified international cannabis company, is pleased to announce that Natures Hemp Corp (“NHC”), a former portfolio company which was spun out to shareholders of AGRA in August of 2018, has acquired 100% of the assets of HapiFoods Group Inc., the founder of Holy Crap breakfast cereal. As seen on the CBC’s original hit series “Dragon’s Den”, Holy Crap offers four distinct SKU’s all of which contain certified organic, non-GMO, kosher and gluten free ingredients such as hemp seed, buckwheat, chia seeds, and gluten-free oats.

Since its establishment in 2009, Holy Crap cereal has gained favour with health conscious consumers by delivering a variety of great tasting functional food offerings. Historically, Holy Crap products have garnered shelf space in as many as 2,500 stores across Canada at retail outlets such as Whole Foods, London Drugs, IGA, Save-On Foods, Urban Fare, Capers, and Stong’s Market. At its zenith, Holy Crap achieved sales of over \$5,000,000 CDN per annum.

“We are very excited to acquire such a reputable brand in the functional health food industry,” stated Derek Ivany, Chief Executive Officer of Natures Hemp Corp. “According to a recent report by Zion Market Research, the global hemp-based food market is forecast to generate approximately \$4.89 Billion by 2026. With a move towards more health focused food choices amongst consumers across all demographic spectrums, the utilization of hemp as a food product has gained popularity as it is rich in protein, vitamins, and minerals, such as gamma-linolenic acid (“GLA”), omega-3 and omega-6. We believe that the growth possibilities for Holy Crap are tremendous and Natures Hemp will be embarking on various unique initiatives to further develop the brand and business, increase market share, and capture various synergies across our network in the global hemp and cannabis sector.”

Brandon Boddy, Chairman and CEO of AgraFlora stated, “As a former portfolio company of AgraFlora, we are very pleased to see Natures Hemp succeeding in their mandate in the hemp functional food sector. Their advancement is a testament to the continued value creation under the AgraFlora banner and we are eager to further assess both upstream and downstream synergies across our platform companies in order to capture additional opportunities and efficiencies.”

Natures Hemp Corp was spun out of AgraFlora Organics International Inc. in August of 2018 and is led by former AgraFlora President and Director, Derek Ivany. In addition to the recent acquisition of Holy Crap, Natures Hemp has been developing a healthy alternative non-dairy coffee creamer, which is made using whole hemp seeds. The Company plans on making an application to list its common shares on the Canadian Securities Exchange during Q4 of 2019.

About Natures Hemp Corp.

Natures Hemp Corp. is a biotechnology and consumer products corporation focused on unlocking the true value of hemp and developing a new generation of plant-based, nutrient rich cannabidiol (“CBD”) food, beverage and healthcare related products. It is establishing its own farms to produce high quality organic hemp plants and using a proprietary extraction technology to produce legal hemp fibers and CBD extract. It is also launching a premium brand of quality CBD products with an emphasis on health and wellness.

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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Forward-looking Information Cautionary Statement

Except for statements of historic fact, this news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements including, but not limited to delays or uncertainties with regulatory approvals, including that of the CSE. There are uncertainties inherent in forward-looking information, including factors beyond the Company's control. There are no assurances that the business plans for AgraFlora Organics described in this news release will come into effect on the terms or time frame described herein. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements. Additional information identifying risks and uncertainties that could affect financial results is contained in the Company's filings with Canadian securities regulators, which are available at www.sedar.com.