



## **AGRAFLORA ORGANICS INTERNATIONAL INC.**

### **NEWS RELEASE**

#### **AgraFlora Organics Awarded Cannabis Research License from Health Canada**

**Vancouver, British Columbia / September 18<sup>th</sup>, 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 announce the Company’s wholly owned subsidiary, Canutra Naturals Ltd. (“Canutra”), has been awarded a cannabis research licence (the “Research License”) by Health Canada under the Cannabis Regulations Act. The Research License permits Canutra to pursue the development of proprietary cannabis genetics and phenotypes at its flagship 76-acre campus in Kent County, New Brunswick.

In conjunction with the Canutra’s existing cannabis research and development partnership with the Universite de Moncton (“UM”), the company will leverage its recently awarded Research License to augment its portfolio of unique cannabis genetics and phenotypes. Canutra intends to utilize its proprietary cannabis genetics and phenotypes as base-inputs for its suite of premium, cannabinoid-infused cosmetics, which are presently marketed across North America, the People's Republic of China and the Hong Kong Special Administrative Region.

Canutra continues to demonstrate its leadership with regards to cannabis-derived CPGs, due to its Health Canada awarded Research License and continued collaboration with UM. The company also continues to achieve material advancements throughout its IP development and aggregation initiatives, including:

- High CBD hemp cultivation techniques;
- Advanced extraction methodologies;
- Cultivar development;
- Inoculation formulations; and
- Proprietary cannabinoid profiles for future skin care product lines.

By way of its wholly owned, cannabinoid-infused cosmetics/topicals subsidiary, Canutra, AgraFlora is equipped with robust cultivation, extraction, manufacturing and distribution capabilities from the company's New Brunswick facility. Canutra owns and operates 76 acres of unzoned, arid agricultural land, including 1,000 feet of river frontage.

The New Brunswick campus, formerly a federally owned farm and research facility, boasts over 17,500 square feet of commercial-grade production facilities, as well as 12 separate free-standing structures.

Canutra manufactures and distributes premium personal care, cosmetics and cannabinoid-infused product lines including a suite of trusted consumer brands such as Whole Hemp Health; a Canadian all-natural, hand-made skin care line, formulated with 100-per-cent-Canadian organic hemp seed oil. Canutra markets its Whole Hemp Health products by way of brick-and-mortar retail outlets, Amazon Prime, as well as direct to consumer, through an integrated Shopify e-commerce platform.

Tony Harris, Chief Executive Officer of Canutra stated: “We are thrilled to formally announce our research program to develop unique and patentable cannabis genetics and phenotypes to be used in the creation of functional cosmetics and proprietary skincare formulas. Development of proprietary base-inputs derived from custom cannabis plants and refined into a unique cannabinoid formula, augments our already top tier Whole Hemp Health line of products, and will serve to ensure the continued growth of our products and shelf space and stay ahead of the pack in terms of quality and functionality.

By leveraging our R&D team’s ability to create and perfect unique cannabinoid combinations focused on skincare functionality, we intend to become the leader of cosmetic cannabis technology in Canada and the world.”

Brandon Boddy, Chairman and Chief Executive Officer of AgraFlora stated: “Canutra's plan to create unique and functional farm to face skincare product offerings is sure to boost an already exponentially expanding sector. The North American cannabis industry is forecasted to grow to US\$19 billion by 2020 and Canutra is tactically positioned to capture signature market share.

The combination of pharmaceutical and cosmetics expertise affords Canutra a strategic advantage within the rapidly growing hemp and cannabis research space and industries. We are most confident the Canutra team will be able to develop world class products that will excite even the most demanding of consumers.”

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

#### **ON BEHALF OF THE BOARD OF DIRECTORS**

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