



AGRAFLORA ORGANICS INTERNATIONAL INC.

NEWS RELEASE

AgraFlora Organics Provides Operational Update and Sales License Guidance at AAA Heidelberg Craft Cannabis Facility

Vancouver, British Columbia / September 24th, 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 operational update and sales licensing guidance at its wholly owned, AAA Heidelberg craft cannabis cultivation facility located in London, Ontario:

- Activation of two flower rooms for the cultivation of ultra-premium, craft cannabis flower;
- Completed installation of grow lights, grow tables and fans for mother and veg rooms;
- Planned import of a portfolio of high-end cultivars under a declaration from Health Canada;
- Anticipated inaugural harvest for Q4 2019;
- Completed interior and exterior caulking and sealing of GPP walls and floors;
- Anticipated export permit application in Q3 2019.

AAA Heidelberg is a licensed cannabis cultivation facility under Health Canada's Access to Cannabis for Medical Purposes Regulations (“ACMPR”). The AAA Heidelberg facility is equipped with five partitioned flower rooms, affording the company ample canopy earmarked for ultra-premium craft cannabis cultivation.

Upon completion of a test harvest, as well as the associated test crop submissions and approvals from Health Canada, AgraFlora plans to apply for both sales and processing licences at its AAA Heidelberg craft cannabis facility; with the objective of producing finished cannabis form factors for domestic distribution including, soft gels, tinctures, distillates and THC oils.

To further its vertically integrated mandate, AgraFlora is also contemplating establishing an on-site dispensary at the AAA Heidelberg facility, per pending Alcohol and Gaming Commission of Ontario (“AGCO”) regulations, capitalizing on a potential 1.5 million consumer catchment area within a 90-minute radius. London, Ontario, is Canada's 11th largest metropolitan area and is tactically located at the nexus of Toronto, Ontario, Detroit, Michigan and Buffalo, New York, affording the Company a lucrative opportunity to capture a significant portion of the cannabis tourism marketplace.

AgraFlora is also considering submitting an application under Health Canada's Cannabis Act and Cannabis Regulations in accordance with Subsection 11(5) of the cannabis regulations, which would permit the Company to engage in the following value-added activities:

- The sale and distribution of dried cannabis, fresh cannabis, cannabis plants and cannabis plant seeds to any of the following licence holders: micro-cultivation, standard cultivation, processing, analytical testing, research or cannabis drug licence;

- The sale and distribution of cannabis plants and cannabis plant seeds to a holder of a licence for a nursery;
- The sale and distribution of cannabis plants and cannabis plant seeds, that are cannabis products, to: a holder of a licence for sale, or a person authorized to sell cannabis under a provincial act by reason of Subsection 69(1) of the act;
- The sale and delivery of cannabis plants and cannabis plant seeds, that are cannabis products, to the purchaser of the products at the request of: a person authorized to sell cannabis under a provincial act by reason of Subsection 69(1) of the act, or a holder of a licence for sale.

Successful receipt of the above stated licence would allow AgraFlora to immediately engage in business-to-business (“B2B”) sales to its strategic partners and/or other qualified licence holders under the Cannabis Act and accompanying Cannabis Regulations.

Brandon Boddy, Chairman and Chief Executive Officer of AgraFlora stated: “The activation of two flower rooms at our 100% owned and operated AAA Heidelberg craft cannabis facility will act as a springboard for our complementary Health Canada licensing initiatives. The marriage of superior product formulation capabilities, extensive CPG/branded product market entrance experience and unique CBD/THC distribution infrastructure, will permit continued brand loyalty for AgraFlora’s product suite, while addressing priority medical conditions within the domestic cannabis theatre and beyond.”

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 is also retrofitting a 51,500-square-foot good manufacturing practice (“GMP”) edibles manufacturing facility in Winnipeg, Manitoba. AgraFlora 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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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.