



AGRAFLORA ORGANICS INTERNATIONAL INC.

NEWS RELEASE

AgraFlora Organics Asserts Cross Functional Integration of Pharmaceutical Grade Bottle Cap, Regional Cannabis Trademarks and CBD Sports Products into 17,500 North American Locations

Vancouver, British Columbia / October 15th, 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 provide guidance related to the cross functional integration of its patented, pharmaceutical grade cannabinoid dispensing technology, regional cannabis trademark portfolio and CBD performance product suite into the Company’s 17,500 North American points of distribution.

AgraFlora’s patented, pharmaceutical grade and hermitically sealed dispensing technology (the “Pharma-Grade Bottle Cap”) is designed to preserve volatile ingredients such as cannabinoids (CBD/THC/CBDA/CBG), antibiotics, probiotics, vitamins, and minerals. The Company’s intuitive and user-friendly Pharma-Grade Bottle Cap 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.

Refined over five years, with research and development expenditures of US\$30 million, the Company will leverage its exclusive rights to a marquee Pharma-Grade Bottle Cap to revolutionize North America’s emerging cannabinoid-infused beverage marketplace.

Alongside its exclusive CBD sports partner and transcontinental professional sports team, the Toronto Wolfpack RLFC (the “Wolfpack” or “TWP”), AgraFlora is preparing for the North American launch of a GMP-certified, CBD-infused performance SKU, Rugby Strength. A replenishing topical cream formulated for high-performance athletes, Rugby Strength has been scientifically developed to achieve the best results in natural wellness through the use of the highest standard of CBD.

Additionally, the Company has aggregated a diversified portfolio of 57 distinct, high-value cannabis product and service trademarks (the “Cannabis Trademarks”), which it intends to deploy within its edibles, topical and beverage product offering. Included in the portfolio are a series of recognizable, trademarks for exclusive use within the cannabis industry including: regional airport call signs, telephonic area codes and other such recognizable regional identifiers for every Canadian municipality with over 100,000 residents.

AgraFlora is of the opinion that its Cannabis Trademarks exhibit unrivalled branding potential for the cannabis space. It is the Company’s thesis that consumers will gravitate towards premium SKUs, which are branded with familiar labels and markers while navigating their maiden purchase of cannabis products- thus amplifying a sense of allegiance to their respective region.

The number of registered marks and the robust coverage of the registration with the Registrar of Trademarks in Canada allows AgraFlora to immediately utilize these marks across its diversified holdings and enhance its marketing and distribution efforts in Canada and other international jurisdictions.

The Company's patented Pharma-Grade Bottle Cap and CBD performance product suite provides AgraFlora with a foundational platform to enter the sports nutrition and hydration segment, and lays the groundwork for the adoption of CBD/THC/CBDA/CBG in future beverage product offerings in accordance with upcoming regulatory guidance.

AgraFlora's pursuit of defensible cannabinoid beverage technologies, as well as CBD-infused performance products is further validated by recent acquisitions by industry peers, including Canopy Growth Corp.'s all-cash transaction to purchase a majority stake in BioSteel Sports Nutrition Inc., a producer of sports nutrition products (see Figure 1).

Figure 1.

AgraFlora's Pharma-Grade Bottle Cap	BioSteel Sport Nutrition Inc. ¹
17,500 North American Points of Distribution	10,000 North American Points of Distribution
3 Medical Patents, 7 Design Patents, 10 Utility Patents	1 Design Patent
Hermetically sealed formulations	Pre-mixed formulation susceptible to degradation
Medical and recreational usage	Recreational usage
Integrated with 57 unique, high-value regional trademarks	Branded under the BioSteel corporate umbrella
Medical grade delivery technology ensuring consistent dosage of formulations	Antiquated pre-mix technologies
Permits liquid or powder inputs	Solely powered inputs

AgraFlora's Pharma-Grade Bottle Cap, when coupled with the Company's anticipated award of a cannabis research and development licence (the "R&D License") at its 51,500 square foot Winnipeg Edibles Facility, permits immediate product development for a net-new suite of cannabinoid-infused beverages; thus preserving its first-mover advantage within the infused beverage arena.

The Company is also pleased to reiterate the following Pharma-Grade Bottle Cap related manufacturing guidance:

- Sole Canadian manufacturer and distributor of its Pharma-Grade Bottle Cap, certified for health care and pharmaceutical applications;
- Finalized purchase order for 1.9 million twist and release dose cap units for mass production, further solidifying AgraFlora's position as a first mover within the cannabinoid-infused beverage vertical;
- 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; and,
- Exclusive care and control of a portfolio of established cannabinoid-infused product formulation recipes already featured in mature U.S. marketplaces.

Brandon Boddy, Chairman and Chief Executive Officer of AgraFlora stated: "Our continued commitment to cross functional integration and knowledge sharing across our various subsidiaries further magnifies the accretive nature of our diverse operating business units. From patented, medical-grade cannabis dispensing technologies, to leading CBD sports products, all branded with highly recognizable regional

¹ AgraFlora has not performed a comprehensive legal analysis and cannot guarantee the accuracy of the list

trademarks that will resonate with the loyal cannabis connoisseur and those making their inaugural purchase alike.

We will leverage our impressive stable of high-value trademarks to realize instantaneous regional brand recognition in various communities across our 17,500 North American distribution end points, helping guide Canadians throughout their pursuit for premium cannabis 2.0 SKUs that convey sense of territorial fidelity.

Equipped with airtight and moisture-resistant bottle cap technology to protect volatile ingredients such as cannabinoids, antibiotics, probiotics, vitamins and minerals, our Pharma-Grade Bottle cap boasts a distribution footprint that is over 70 per-cent greater than that of BioSteel Sports Nutrition. We urge both current and prospective shareholders alike to witness the instagramable nature of our proprietary Pharma-Grade Bottle Cap, by viewing the following viral delivery design video available at <https://agraflora.com/brands/health-cap-holdings/>.

Through upcoming product formulation and prototyping initiatives at our 8,000 square foot edibles and concentrates laboratory, we plan to successfully pair our Pharma-Grade Bottle Cap with tried and tested formulations that are expected to champion innovation, as well as foster the ultimate infused beverage experience.”

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 Services Canada Inc. 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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