



AGRAFLORA ORGANICS INTERNATIONAL INC.

NEWS RELEASE

AgraFlora Subsidiary Farmako Submits Application for EU-GMP Certification and Manufacturing/Import License

Vancouver, British Columbia / March 11, 2020 – 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 the Company’s wholly owned subsidiary, Farmako GmbH (“Farmako”) has submitted its application documents to the respective regional authorities in Germany for the granting of EU Good Manufacturing Practice (“EU-GMP”) certification, as well as a Manufacturing and Import Authorization (“MIA”) under the German Medicinal Products Act (“AMG”). The Company expects the EU-GMP and MIA licensing processes to be completed by summer 2020.

If successful in obtaining the Manufacturing and Import Authorization and GMP Certification, Farmako will be able to commence import of medical cannabis products from outside the European Economic Community (“EEC”), which will dramatically increase the availability of supply and allow Farmako more flexibility – an important milestone as it scales its German and European medical cannabis distribution business.

“Germany has put in place the highest standards in the world to ensure the safety of the medical patient, as well as bolster trust patients, physicians and pharmacists have in the program. As a result, it is very challenging for new businesses to enter the market which has created a limited amount of medical cannabis supply for the German marketplace,” said Katrin Eckmans, CEO of Farmako. “Our submission is a critical step towards obtaining the required EU-GMP certification and Manufacturing and Import Authorization that will allow Farmako to greatly increase the supply – and thus the available portfolio range of high quality medical cannabis products available to German patients.”

Farmako is also one of a limited group of German companies awarded special authorization by the German Federal Institute for Drugs and Medical Devices (“BfArM”) for the distribution of medical cannabis flowers that have undergone an ionizing radiation treatment. In combination with the EU-GMP and Manufacturing and Import Authorization, Farmako will be a leader in Germany with respect to the breadth of supply chain it can develop. Farmako’s Management believes additional supply options will allow the company to rapidly scale its business through broader range of medical products backed by larger volumes as compared to what has been available historically.

Farmako currently holds a certification in accordance with EU Good Distribution Practice (“GDP”), a wholesale authorization (“WDA”) under AMG and a controlled drug license under the German Controlled Drug Law (“BtMG”), under which the company has been trading medicinal cannabis products from European manufacturers to German pharmacies since March 2019.

Furthermore, the EU-GMP Certification and Manufacturing and Import Authorization license extension is an important step for Farmako with regards to broader, integrated European strategy. Farmako recently

announced, via a subsidiary, that it has received all licensure necessary to conduct medical cannabis distribution in the UK. Farmako was awarded its UK licence less than one month ago following the successful completion of its inspection by the UK Home Office in December 2019. The UK is a developing medical cannabis market where Farmako is an early mover.

About Farmako GmbH

Farmako GmbH is a pharmaceutical wholesaler based in Frankfurt, Germany. The company focuses on the distribution of medical cannabis to pharmacies with the aim of securing the supply for cannabis patients and closing the gap between supply and demand for medical cannabis. Farmako is planning to expand its business model into other European countries with a corresponding legal basis, scaling towards its goal of being Europe's leading distributor of medicinal cannabis. The company already distributes medical cannabis to pharmacies in Germany since March 2019 and is fully licensed in the UK to start distribution operations there in 2020. Farmako is a 100% subsidiary of AgraFlora Organics International Inc. For more information please visit: <https://www.farmako-global.com/>.

About AgraFlora Organics International Inc.

AgraFlora Organics International Inc. is a leading cannabis company building shareholder value through the development of revenue generating operating assets in the global cannabis industry. AgraFlora is focused primarily on the Canadian cannabis industry; the world's most advanced and regulated legal cannabis market. Flagship Canadian assets include: Edibles & Infusions, a fully automated manufacturing facility in Winnipeg, MB for white-label and consumer branded edible production; Propagation Services Canada, a large-scale commercial greenhouse in Delta, BC focused on reshaping the Canadian flower market with high-potency, low cost cannabis flower, and AAA Heidelberg, a craft focused cannabis producer in London, ON. In addition, AgraFlora's wholly owned subsidiary Farmako GmbH is scaling towards its goal of being Europe's leading distributor of medical cannabis. Farmako currently has active distribution operations in Germany and expects to commence active operations in the United Kingdom in 2020. For more information please visit: <https://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.