



## AGRAFLORA ORGANICS INTERNATIONAL INC.

### NEWS RELEASE

#### AgraFlora Organics Completes First Batch of CBD Oil and CBD Distillate

**Vancouver British Columbia / April 24, 2020 – AgraFlora Organics International Inc.** (“AgraFlora” or the “Company”) (CSE: AGRA) (Frankfurt: PU31) (OTCPK: AGFAF) is pleased to announce its wholly owned subsidiary Sustainable Growth Strategic Capital Corp. (“SGSC” or “the Company”) a federally licensed cannabis company based in the Greater Toronto Area (“GTA”) has successfully produced the first full run of full spectrum winterized CBD crude oil (“CBD Oil”) and CBD distillate.

SGSC is focused on taking advantage of the underserved market for CBD Oil, CBD Distillate and CBD Isolate by crafting partnerships to generate revenue while limiting fiscal and operational risk. SGSC has previously partnered with Micro C45 Inc. (“MC45”), a Canadian company that has developed a unique post-harvest mechanical separation process for hemp that results in higher extraction value. Under this partnership, SGSC has entered into agreements with multiple Canadian companies licensed under the *Cannabis Act* to create formulations and finished products with CBD Oil, CBD Distillate and CBD Isolate from high-quality Canadian grown hemp, sourced and processed by MC45. Recently, SGSC completed the first batches of CBD Oil and CBD Distillate which are in the final stages of being prepared for sale. SGSC expects to have its first batch of CBD Isolate completed in the second quarter of 2020.

“After seeking approval for many formulations, LPs have struggled to identify reliable and consistent sources of CBD derivatives to meet their formulation and manufacturing requirements for those edible, oil, topical, tincture and beverage products,” stated Brandon Boddy, AgraFlora Executive Chairman and CEO. “Our strategy with SGSC is to meet that demand with high quality CBD inputs processed from Canadian hemp utilizing our strong relationships in the Canadian hemp and CBD space. This model allows us and our partner to focus on sourcing the highest quality hemp and to pursue strong relationships with down-stream buyers.”

SGSC expects to utilize up to 225,000 kg of Canadian hemp from MC45 in calendar 2020. The Company anticipates that the processing of the committed hemp will generate up to 12,500 kg of Distillate or up to 10,000 kg of CBD isolate, or some combination thereof to be determined by the Company based on market demand.

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**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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***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](http://www.sedar.com).*