



AGRAFLORA ORGANICS INTERNATIONAL INC.

NEWS RELEASE

AgraFlora Organics Announces Evidence Package Submission to Health Canada for Winnipeg Based Edibles Manufacturing Facility

Vancouver British Columbia / June 3, 2020 – AgraFlora Organics International Inc. (“AgraFlora” or the “Company”) (CSE: AGRA) (Frankfurt: PU31) (OTCPK: AGFAF) is pleased to announce that on May 28, 2020, its subsidiary The Edibles and Infusions Corporation (“EIC”) submitted its Site Evidence Package (the “**Evidence Package**”) to Health Canada for a Standard Processing License (the “**Processing License**”) for its 51,000-Square-foot fully-automated edibles manufacturing facility in Winnipeg, Manitoba (the “**Edibles Facility**”).



Edibles and Infusions R&D Lab in the Winnipeg, Manitoba Production Facility

James Fletcher, one of the founders and the operational manager of EIC stated, "We have submitted a comprehensive evidence package to Health Canada. License permitting, we are confident in our timelines to be able to reach first packaged sales in Q4 of this year. We have designed our facility to be technologically advanced and highly efficient, which will position us to be able to handle high-volume output while maintaining industry leading quality and cost structure. We will leverage our nearly 100 years of knowledge and experience manufacturing confectionery to produce the best quality cannabis infused candies and disrupt the existing cannabis edibles marketplace."

The recently completed 51,500 square-foot production ready Edibles Facility ([See Press Release dated May 15, 2020](#)) utilizes state of the art equipment technology and when fully operational, EIC expects to produce over 250,000 pieces of precisely dosed edibles per eight-hour shift. With the facility's equipment efficiencies, EIC can easily pivot to provide specific dosing and custom candies to meet regulatory requirements and customer specifications, while also reducing the risk of contamination or degradation of the cannabis inputs. The company currently holds a Research and Development License from Health Canada which it intends to use to develop and perfect the recipes and formulations for client edibles,

increasing customer satisfaction, reducing operational risk and allowing the company to move into revenue quickly once the Standard Processing License is obtained.

"We believe that our technological and personnel advantage give us the opportunity to make a significant impact on the Edibles market," stated Brandon Boddy, Chairman and Chief Executive Officer of AgraFlora. "Once our license is received, our ability to immediately produce multiple and precisely dosed product lines from our superior production infrastructure allows EIC to offer a higher quality and lower cost product to industry."

Although there is no guarantee on licensing timelines, management estimates that first revenue post-licensing will be delivered in Q4 2020.

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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/>.

About Edibles and Infusions Corporation

Edibles and Infusions Corporation is a joint venture formed between AgraFlora and one of North America's leading confectionary manufacturing families. The Joint Venture partner is one of Canada's oldest confectionary companies with over 100 years of active operations, and currently supplies confectionary and candy to over 20,000 locations throughout North America. Edibles and Infusions is constructing a purpose built, highly automated facility located in Winnipeg, MB. The facility employs state-of-the-art manufacturing equipment to produce pharmaceutical-grade quality cannabis edibles with a precise level of consistency for improved dosing accuracy, consistent consumer experiences and increased consumer safety. Edibles and Infusions is one of a small group of Canadian companies to successfully obtain a Research and Development License from Health Canada for edibles formulation testing and expects to commence fully-licensed manufacturing operations in 2020.

ON BEHALF OF THE BOARD OF DIRECTORS

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The CSE and Information Service Provider have not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

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.