



AGRAFLORA ORGANICS INTERNATIONAL INC.

NEWS RELEASE

AGRAFLORA ORGANICS COMMENCES RESEARCH AND DEVELOPMENT TRIALS AT WINNIPEG BASED EDIBLES MANUFACTURING FACILITY

Vancouver British Columbia / August 27, 2020 – AgraFlora Organics International Inc. (“AgraFlora” or the “Company”) (CSE: AGRA) (Frankfurt: PU31) (OTCPK: AGFAF) is pleased to announce that the Company has received a necessary CRA tax license and is now creating test cannabis edibles products through its Health Canada licensed Research and Development Lab (“**R&D Lab**”) within its 51,000-Square-foot fully-automated edibles manufacturing facility in Winnipeg, Manitoba (the “Edibles Facility”).



Edibles and Infusions R&D Trials – Winnipeg, Manitoba

Through the Company’s Health Canada R&D license, AgraFlora has dialed in formulations for cannabis activated pectin and gelatin gummies, hard candy, and sugar-free variants.

James Fletcher, one of the founders and the operational manager of EIC stated, “As part of the R&D program, we have begun a testing project with Agilent to improve testing standards, methods, and ensure consistent quality. Our efficient and highly automated R&D production allows us to provide a variety of sample products for our prospective clients to try for their established brands.”

On May 28, 2020 ([see press release dated June 3, 2020](#)), AgraFlora submitted its site evidence package to Health Canada for a processing license. The Company is in regular contact with Health Canada and remains committed to the timeline that a processing license will be received in Q4 of 2020.

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.