

AGRAFLORA ORGANICS INTERNATIONAL INC.

NEWS RELEASE

AgraFlora's Subsidiary Farmako Secures Additional Supply of EU-GMP Cannabis via Definitive Supply Agreement with ZenPharm Limited

Vancouver British Columbia / September 15, 2020 – <u>AgraFlora Organics International Inc.</u> ("AgraFlora" or the "Company") (CSE: <u>AGRA</u>) (Frankfurt: <u>PU31</u>) (OTCPK: <u>AGFAF</u>) is pleased to announce that its wholly owned subsidiary Farmako GmbH ("Farmako") has executed the binding supply agreement (the "Supply Agreement") with ZenPharm Ltd ("ZenPharm"), a subsidiary of Zenabis Global Inc. (TSX: ZENA) ("Zenabis").

Pursuant to the Supply Agreement, ZenPharm will supply EU-GMP quality medical cannabis flower cultivated by Zenabis to Farmako for distribution to medical cannabis patients in Germany. The agreement is intended to facilitate the distribiton of 1,500 kilograms of cannabis flower by Farmako in Germany over a 3 year term. Farmako will distribute the products its established network of German pharmacies. The products will carry Farmako's branding, an important step in building brand awareness and loyalty with physicians, pharmacists and patients. The products initially include high potency THC flower and balanced THC and CBD flower, two product categories that management believes are in highest demand in Germany. Shipments to Farmako are expected to start in November 2020.

Farmako CEO Katrin Eckmans stated: "It is our intention to establish partnerships with reliable suppliers and ensure high quality and sustainable supply at a fair price range to German patients. ZenPharm and Zenabis have proven themselves as trustful and reliable supply partners. Our goal to provide sustainable product for German patients takes a big step forward with this transaction, and my team is excitedly working on our product launch to occur later this year."

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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 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 licenses 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/.

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.