



## AGRAFLORA ORGANICS INTERNATIONAL INC.

### NEWS RELEASE

# AgraFlora Organics Submits Response to Request for More Information from Health Canada and Moves Towards Processing Licence its Winnipeg Edibles Manufacturing Facility

**Vancouver British Columbia / October 2, 2020 – AgraFlora Organics International Inc.** (“AgraFlora” or the “Company”) (CSE: AGRA) (Frankfurt: PU31) (OTCPK: AGFAF) is pleased to announce that the Company has submitted a formal response to Health Canada’s first Request for More Information (“RMI”) regarding the Standard Processing License (the “**Manufacturing License**”) application for AgraFlora’s 51,000-Square-foot fully-automated edibles manufacturing facility in Winnipeg, Manitoba (the “**Edibles Facility**”). The RMI response is a key step towards achieving the Standard Processing License at the Edibles Facility. On May 28, 2020 ([see press release dated June 3, 2020](#)), AgraFlora submitted its site evidence package to Health Canada for the Manufacturing License.

On August 27, 2020 ([See press release dated August 27, 2020](#)) the Company launched Research and Development (“**R&D**”) trials through the Company’s Health Canada R&D license, to dial in formulations for cannabis activated pectin and gelatin gummies, hard candy, and sugar-free variants. The Company is currently in discussions with multiple Canadian cannabis companies with respect to product development and formulation as an R&D service. AgraFlora believes that R&D services contracts are a critical path to long-term production relationships.

James Fletcher, EIC Co-Founder and Operational Manager stated, “Obtaining the Manufacturing License at the Edibles Facility is a major milestone for the Company and today we completed an important step by submitting our RMI request. I believe we have submitted a strong application, and, with today’s RMI clarifications, we are one step closer towards receiving the Manufacturing License and commencing commercial operations at the Edibles Facility. Our internal R&D trials have yielded strong results which have given us recipes for favourable flavour, texture, and manufacturing efficiencies. We’ve also been able to identify flavours and formulations that effectively mask or compliment the distinctive flavour of our cannabis inputs. Our whole team is excited to take what we’ve learned and apply it to client formulations under our R&D License, transitioning to commercial manufacturing when the Manufacturing License is obtained.”

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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.*

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*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).*