

FORM 62-103F3

REQUIRED DISCLOSURE BY AN ELIGIBLE
INSTITUTIONAL INVESTOR UNDER SECTION 4.5(d)

Item 1 – Identity of the Eligible Institutional Investor

- 1.1 State the name and address of the eligible institutional investor.

MM Asset Management Inc. (“**MM Asset**”)
161 Bay Street
Suite 2240
Toronto, Ontario
M5J 2S1

MMCAP International Inc. SPC (“**MMCAP**”) is an investment fund advised by MM Asset.

Item 2 – Security and Reporting Issuer

- 2.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

AgraFlora Organics International Inc. (the “**Issuer**”)
Suite 810 - 789 West Pender Street
Vancouver, BC
V6C 1H2

This report relates to common shares (“**Shares**”) in the capital of the Issuer.

- 2.2 State the designation and number or principal amount of voting or equity securities of the reporting issuer in respect of which the report is being filed and the securityholding percentage of the eligible institutional investor in the class of securities.

As at the end of September, 2020, MM Asset, on behalf of MMCAP, exercised control and direction over:

- (a) 9,120,629 Shares;
- (b) aggregate principal amount of \$21,600,000 of the 10% senior unsecured convertible debentures (the “**Debentures**”) of the Issuer. Each Debenture is convertible, in whole or in part at the holder’s option, into 3,333.33 Shares at a conversion price of \$0.30 per Share until the maturity date of March 12, 2021; and
- (c) 42,187,600 common shares purchase warrants, (the “**Warrants**”), each Warrant entitles the holder to purchase an additional Share at the price of \$0.65 per Share until December 5, 2020,

representing approximately 7.68% of the Issuer's 1,490,807,232 outstanding Shares as reported in its management's discussion and analysis dated August 31, 2020, calculated on a partially diluted basis.

Item 3 – Statement of Eligibility

3.1 MM Asset is eligible to file reports under Part 4 of National Instrument 62-103.

DATED this 13th day of October, 2020.

MM ASSET MANAGEMENT INC.

By: "Hillel Meltz"
Hillel Meltz, President