



## AGRAFLORA ORGANICS INTERNATIONAL INC.

### NEWS RELEASE

#### AgraFlora's Delta Greenhouse Receives Agriculture Loan

**Vancouver British Columbia / November 23, 2020 – [AgraFlora Organics International Inc.](#)** (“AgraFlora” or the “Company”) (CSE: [AGRA](#)) (Frankfurt: [PU31](#)) (OTCPK: [AGFAF](#)) is pleased to announce that Propagation Services Canada Inc., the Company’s flagship cultivation asset located in Delta, British Columbia (the “Delta Facility” or “PSC”) has received an Agriculture Loan (the “Loan”) to bring its cannabis cultivation to market and continue Phase 1 of the Company’s cultivation strategy.

As part of the Loan, the Delta Facility will receive \$5,000,000 which will provide full funding to the licensed cultivation areas and will allow the PSC team to bring their first crop of low cost, high potency cannabis to market, on a wholesale basis, in Q1 2021.

The curated portfolio of elite genetics at the Delta facility has been tailored to work with PSC's Delta based infrastructure and utilizing 422,828 sq. ft. of cultivation space with state-of-the-art semi-pressurized, semi-open Venlo greenhouses.

The AgraFlora Board of Directors commented that “Having a fully funded Phase 1 cultivation strategy allows us to deliver high potency cannabis strains in 2021. As partners at PSC, we have full confidence in the Houwelings family’s ability to achieve this strategy, given their long history of high-quality agricultural production in low-cost environments, as well as the healthy condition of our award winning genetics.”

With demand for high potency product trending upward especially within the value pricing segment, PSC is uniquely positioned to produce a compelling value proposition for wholesale customers: high potency cannabis with desirable strains at a competitive price.



Delta, BC. AgraFlora Greenhouse

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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 Propagation Services Canada**

Propagation Services Canada is a joint-venture formed between AgraFlora and the Houwelings Group, one of North America's leading producers and innovators in the greenhouse vegetable production industry. For three generations, Houwelings has been championing innovation in North American vegetable production, holding multiple patents and developing large-scale commercial greenhouses in British Columbia, California and Utah. The Houwelings Group was the first in the USA to utilize combined heat and power co-generation, and the first to develop a proprietary sealed growing technology. Through the JV, Propagation Services Canada will operate an automated greenhouse facility with an expandable footprint of up to 2,200,000 sq. ft. Propagation Services Canada is expected to commence cannabis operations and revenue in 2020 with a focus on producing high-potency cannabis at the lowest possible cost to drive margin growth and profitability.

**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](http://www.sedar.com).*