

**Form 51-102F3**  
**MATERIAL CHANGE REPORT**

Item 1. Name and Address of Reporting Issuer

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

Item 2. Date of Material Change

July 26, 2021

Item 3. News Release

A news release was disseminated on July 26, 2021 through Globenewswire and subsequently filed on SEDAR.

Item 4. Summary of Material Changes

The Company announced that effective July 28, 2021, it will change its name (the “**Name Change**”) to Agra Ventures Ltd. (“**Agra Ventures**”) to better reflect the evolved vision and strategic direction of the Company under current leadership. The Canadian Securities Exchange (the “**CSE**”) will publish a bulletin announcing the effective date of the Name Change and it is anticipated that the Company’s common shares (the “**Shares**”) will begin trading under its new name on or about Wednesday, July 28, 2021.

The Shares will continue to trade under the “AGRA” ticker symbol on the CSE. The CUSIP number assigned to the Shares following the Name Change will be 008505109 (ISIN: CA0085051096). No action is required to be taken by shareholders with respect to the Name Change. Outstanding share certificates are not affected by the Name Change and do not need to be exchanged.

Item 5. Full Description of Material Change

Please see attached news release for a full description of the material change.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

For further information, please contact:  
Elise Coppens  
Chief Executive Officer  
Telephone: 604-687-2038

Item 9.

Date of Report

July 26, 2021



## AGRAFLORA ORGANICS INTERNATIONAL INC.

- NEWS RELEASE -

# AgraFlora Organics International Inc. Changing Name to Agra Ventures Ltd.

## Propagation Services Canada Subsidiary Also Re-Branded As Boundary Bay Cannabis to Coincide with the First Cannabis Crop Harvest

Vancouver, British Columbia / July 26, 2021 (Globe Newswire) – AgraFlora Organics International Inc. (“AGRA” or the “Company”) (CSE: AGRA) (Frankfurt: PU31) (OTCPK: AGFAF) is pleased to announce that effective July 28, 2021, it will change its name (the “Name Change”) to Agra Ventures Ltd. (“Agra Ventures”) to better reflect the evolved vision and strategic direction of the Company under current leadership. The Canadian Securities Exchange (the “CSE”) will publish a bulletin announcing the effective date of the Name Change and it is anticipated that the Company’s common shares (the “Shares”) will begin trading under its new name on or about Wednesday, July 28, 2021.

The Shares will continue to trade under the “AGRA” ticker symbol on the CSE. The CUSIP number assigned to the Shares following the Name Change will be 008505109 (ISIN: CA0085051096). No action is required to be taken by shareholders with respect to the Name Change. Outstanding share certificates are not affected by the Name Change and do not need to be exchanged.

### Re-Brand and New Logos:

In addition, the Company has re-branded (the “Re-Brand”) its primary subsidiary of Propagation Services Canada under the name of Boundary Bay Cannabis (“Boundary Bay Cannabis”) to more accurately depict the picturesque setting in which its cannabis plants are grown within the area of Delta, British Columbia. The Company is at a point of forging a new path for itself in the world of cannabis curation and creation. Agra Ventures’ technologies and practices are industry-leading and aid it in pioneering new growing techniques at the Delta greenhouse.

The Name Change is accompanied by a new logo and blue-based colour scheme to emphasize the Company’s outgoing, strong and daring approach, while the Re-Brand also comes with a new logo for Boundary Bay Cannabis. The process of updating Agra Ventures’ contact information, website, social media profiles and other uses of its name, as well as replacing the Propagation Services Canada brand with Boundary Bay Cannabis, is currently under way and is expected to be completed shortly.

### Cannabis Crop Harvest Update:

The timing of the Name Change and Re-Brand coincides with the recently completed harvest of the Company’s first crop of cannabis grown over 130,000 square feet at its Delta greenhouse, which is now drying and will soon be tested for potency and prepared for sale. The completed harvest is predominantly comprised of the Mimosa 37 strain of cannabis, with secondary quantities of the Kosher Kush and Gelato strains. Subject to the results of the upcoming potency tests, the Company expects the crop to be valued and

sold on a business-to-business basis to a third-party Canadian licensed producer in August. The Company's next crop of cannabis plants is currently being prepared for growth at the Delta facility.

### **Management Commentary:**

"I am proud to announce the new name of Agra Ventures Ltd. for our Company, which marks a clear path forward from the time of achieving the important milestone of harvesting our first crop of cannabis at the Delta facility," said Elise Coppens, CEO of Agra Ventures. "Similarly, the executive management team, with the support of the board of directors, also thought it was the right time to re-brand Propagation Services Canada as Boundary Bay Cannabis, as our three initial strains of cannabis are prepared to be sold for the first time. I am excited to make these announcements on behalf of the Company and would like to thank our team of employees, contractors and advisors for helping us reach this stage," added Ms. Coppens.

### **Sale of Binbrook Property:**

Agra Ventures is also pleased to announce that, on July 14, 2021, it sold the Binbrook property (the "**Binbrook Sale**") previously held by Sanna Health Corp., which is a wholly-owned subsidiary of the Company. The consideration received for the Binbrook Sale was approximately \$1,870,000. As a result, the Company's level of indebtedness has been reduced by the same amount and certain litigation previously involving Sanna Health Corp. with the mortgagees of the Binbrook property has been settled and the action has been dismissed.

### **Intent to Consolidate Shares:**

The Company's Board of Directors and executive management team are pleased to announce the intent to complete a share consolidation (the "**Share Consolidation**") in the near term. Pursuant to the Name Change and Re-Brand, as well as the previously announced evolution of the Company's competitive strategy, the goal of the Share Consolidation is to simplify the equity component of Agra Ventures' capital structure and accompany the recent improvements made to the liability component. The common share exchange ratio related to the upcoming Share Consolidation is yet to be determined and the Share Consolidation is subject to the approval of the CSE.

Each shareholder's percentage ownership of the Company is expected to remain unchanged after the Share Consolidation, except for minor changes resulting from the treatment of any fractional common shares. For clarity, where the upcoming Share Consolidation may result in a shareholder being entitled to a fractional common share, the number of post-Share Consolidation common shares issued to such shareholder are expected to be rounded to the nearest whole number of common shares on a post-Share Consolidation basis.

### **About AgraFlora Organics International Inc.**

AgraFlora Organics International Inc. is a cannabis company building shareholder value through the development of revenue-generating, operated 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. Its flagship Canadian asset is Propagation Services Canada, a large-scale commercial greenhouse in Delta, BC focused on reshaping the Canadian flower market with high-potency, low-cost cannabis. In addition, AgraFlora's wholly-owned subsidiary, Farmako GmbH, is focused on becoming 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 2021. For more information about AgraFlora, please visit [agraflora.ca](http://agraflora.ca) and its profile page on SEDAR at [www.sedar.com](http://www.sedar.com).

### ***ON BEHALF OF THE BOARD OF DIRECTORS***

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### **For French inquiries:**

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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).*