



NEWS RELEASE

Agra Ventures is Hopeful for Positive Outcomes from Health Canada Review of Cannabis Act

In Consideration of its Customers, Employees, Shareholders and Stakeholders, the Company is Also Providing a List of Five Key Outcomes That it Hopes Will Arise From the Review

Vancouver, British Columbia / October 17, 2022 (Globe Newswire) – Agra Ventures Ltd. (“AGRA” or the “Company”) (CSE: AGRA) (OTC: AGFAF), a growth-oriented and diversified company focused on the international cannabis industry, announces its expectation of positive outcomes for the Canadian cannabis industry from Health Canada’s current review (the “**Review**”) of the Cannabis Act. The purpose of the Review is to assess the effects of the legalization of recreational cannabis on the health outcomes of Canadians. However, the Review is also assessing financial, tax, legal and regulatory matters that could be beneficial to the Canadian cannabis sector. The Review commenced on September 22, 2022 and the Minister of Health must table a report in both Houses of Parliament no later than 18 months after the start of the review.

Companies in the business of licensed cannabis production, including AGRA, are hoping to benefit from the Review as it may lead to improvements in potency and packaging restrictions as well as reductions or the elimination of various tax regulations on cannabis products in Canada. Some of the major challenges faced by companies in the cannabis industry currently include the inability to operate profitably and the difficulty of navigating numerous regulations and restrictions. These difficulties, among others, could be significantly eased as a result of a positive set of changes resulting from the Review.

Below is a list of five key outcomes that AGRA is optimistic will arise from the Review:

1. Significant reduction or elimination of excise taxes;
2. More appropriate labelling rules for other cannabinoids aside from THC and CBD, as well as for cannabis products in general;
3. Allowing the sale of CBD products on an over-the-counter basis, similar to how they are sold in the United States;

4. Removal of certain packaging limits, such as the 1-gram limit on the size of dried flower pre-rolls; and
5. Allowing the promotion of cannabis use on an even playing field with alcohol and other controlled substances.

The Canadian Federal Government was required by law to conduct a review of the Cannabis Act three years after the legislation was enacted to study the impact of cannabis on public health, young people and indigenous communities. However, the Review is occurring one year later than mandated. AGRA, like many players across the Canadian cannabis industry, is hopeful that a number of changes will result from the Review that will ultimately reduce the purchase and use of illicit cannabis in a significant way.¹

Management Commentary

“For the sake of our customers, employees, shareholders and other stakeholders, AGRA’s hope is that Health Canada will take this opportunity to accept many of the reasonable recommendations being made by industry to significantly improve the viability of the regulated cannabis industry for the long term,” said Nick Kuzyk, Interim CEO of AGRA.

“Canadian cannabis consumers need the Review to go well because the economic health of many licensed producers, processors, retailers and other members of the industry are currently at risk under the current framework. AGRA is fortunate to have great infrastructure and expertise within its Boundary Bay Cannabis joint venture. But still, it is very challenging to generate operating income in this environment, let alone net profit,” added Mr. Kuzyk.

About Agra Ventures Ltd.

Agra Ventures is a growth-oriented and diversified company focused on the international cannabis industry. The company is dedicated to the cultivation, distribution and marketing of high-quality cannabis and cannabis-infused products worldwide. Agra Ventures’ primary asset in Canada is Boundary Bay Cannabis located in Delta, BC, which is one of the largest cannabis greenhouse facilities focused on the cost-optimized cultivation of high-potency cannabis. Abroad, the company’s wholly owned subsidiary, Farmako GmbH, is focused on becoming Europe’s leading distributor of medical cannabis. Farmako currently has active product distribution operations in Germany and is fully licensed in the United Kingdom.

For more information about Agra Ventures, please visit www.agraventures.com and its profile page on SEDAR at www.sedar.com.

ON BEHALF OF THE BOARD OF DIRECTORS

Nick Kuzyk, Interim CEO
E: ir@agraventures.com
T: (800) 783-6056

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 Agra Ventures 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.

Endnotes:

1. “Pot sector wants packaging changes, financial relief from Cannabis Act review”, Tara Deschamps, *The Canadian Press*, September 22, 2022, <https://ottawa.citynews.ca/national-business/pot-sector-wants-packaging-changes-financial-relief-from-cannabis-act-review-5856516>.

SOURCE: Agra Ventures Ltd.