



Innovative  
High Quality  
Cannabis Production



**AGRAFLO**RA

GROUP OF INDUSTRY EXPERTS

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# Corporate Information

AgraFlora Organics International Inc.



## STOCK EXCHANGES

Canadian Securities Exchange:	AGRA
Frankfurt:	PU31
OTCPK:	PUFXF

## CANADIAN LOCATIONS

AAA Heidelberg – London, ON  
Propagation Services Canada – Delta, BC

## CAPITAL STRUCTURE

Issued & outstanding shares:	386.4 million
Warrants & Options	38.0 million
Fully Diluted	424.4 million
Recent share price	\$0.50
Market Cap	\$193.2 million

# Investment Highlights



## Licensed producer

- AAA granted cultivation license October 12, 2018

## Large in scale

- Delta Greenhouse Complex includes 2,100,000 of growing space and 100,000 post production area

## Fully funded

- \$40 million financing for retrofit of 2,200,000 sq. ft. Delta Greenhouse Complex (\$20 million received)

## Team of Industry Experts

- For over 50 years the Houwelings Group have operated large-scale greenhouse producing superior yields

# AAA Heidelberg



- Wholly owned subsidiary
- Licensed Producer – granted cultivation license from Health Canada in October 2018
- ~10,000 sq. ft. purpose built facility in London, ON



# Propagation Services Canada



Joint venture partnership with large-scale greenhouse operators

- Joint venture partnership with Houwelings Group (50/50)
- 15 year lease for large-scale greenhouse
- To be second site of cultivation license
- “State-of-the-art” growing methodologies including:
  - Technology driven watering, lighting, HVAC and heating systems
  - Advanced plant hygiene protocols to ensure pathogen free plants
  - Access AgraFlora’s genetics & strain library

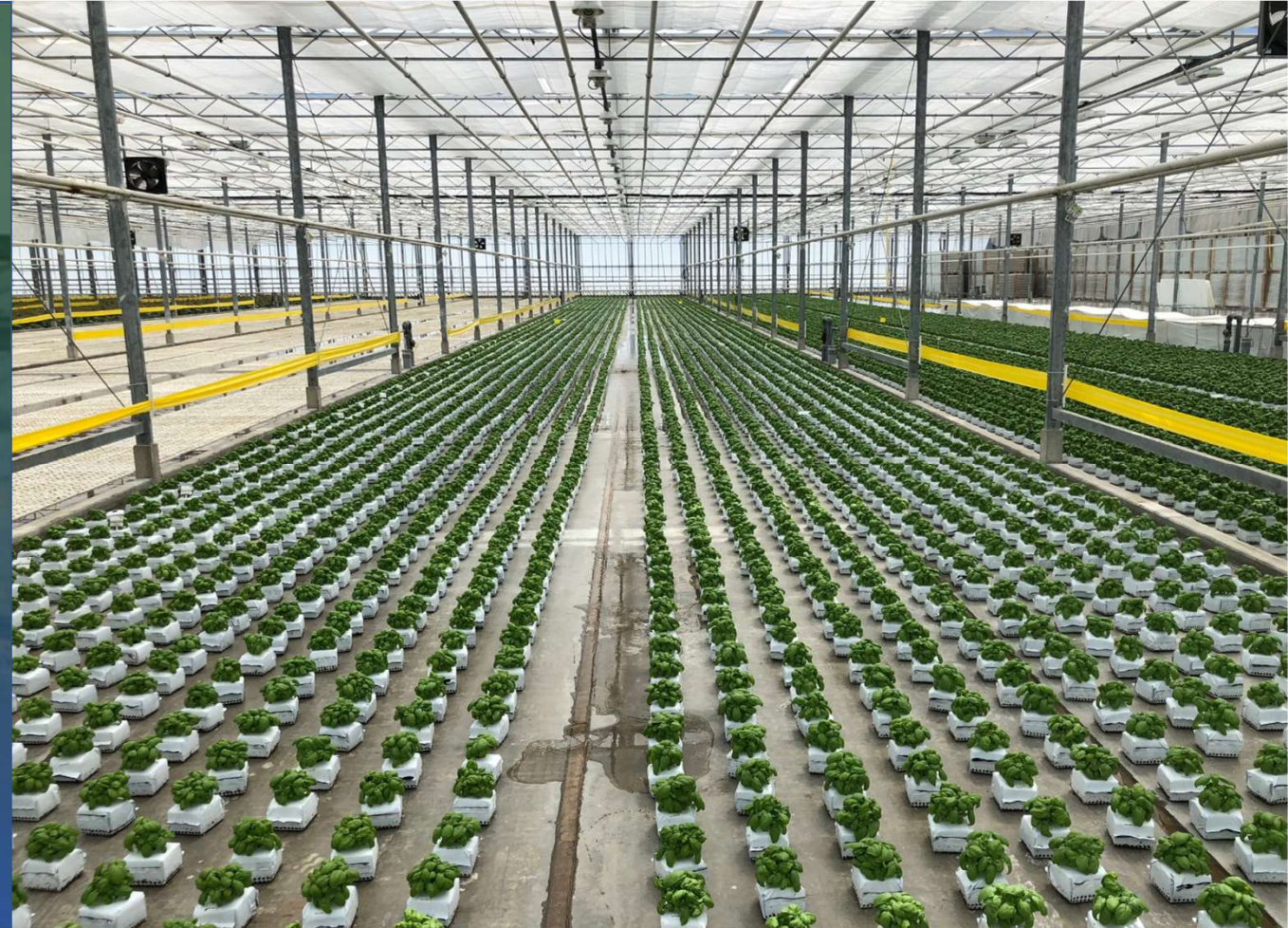


# Propagation Services Canada



Greenhouse Retrofit to Include Advanced growing systems

- \$40 million retrofit to include:
  - Advanced cultivation technologies
  - State-of-the-art HAVC system
  - Highly efficient lighting & watering systems
  - Post production processing operations




# Propagation Services Canada



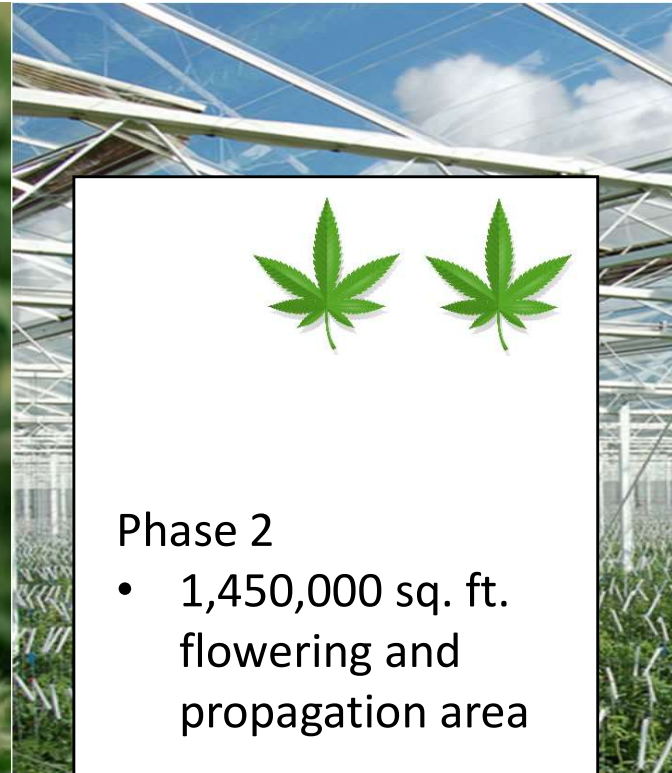
Three Phase retrofit of 2,200,000 sq. ft. greenhouse for cannabis production




Phase 1 

- 250,000 sq. ft. flowering area
- 100,000 post production area

**Q2 2019**

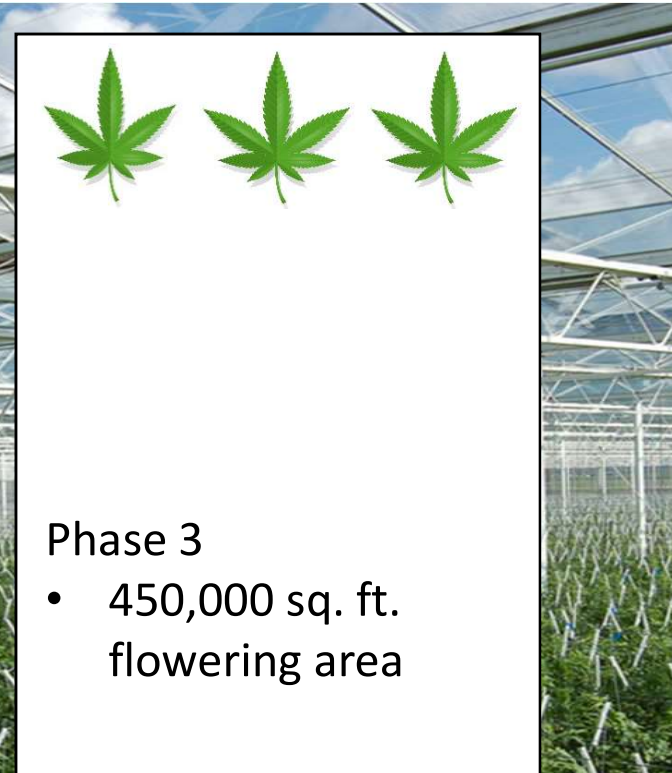




Phase 2

- 1,450,000 sq. ft. flowering and propagation area

**Q4 2019**





Phase 3

- 450,000 sq. ft. flowering area

**Q2 2020**



# Fully Funded

DOCC Invests Fund Conversion of Greenhouse to Cannabis



Delta Organic Cannabis Corp. makes \$40 million investment at a price of \$0.45 per AgraFlora share to complete PSC greenhouse retrofit:

- \$20,000,000 received from DOCC, equivalent of 44,582,040 post-split AGRA shares issued;
- 31-Mar-19 to pay \$20,000,000 for 44,582,040 post-split AGRA shares.

Earn-In Right for 20% of Propagation Services Canada:

- 10% of PSC earned for initial \$20,000,000 payment;
- 10% of PSC for the remaining \$20,000,000 for a total \$40,000,000 and 20% equity interest in PSC.



# Strategic Advantage

Casey Houweling to lead operations and +200 well trained staff



- Casey Houweling is one of the leading large scale greenhouse operators and propagation experts in the world.
- He heads one of the most technically-advanced and environmentally-friendly greenhouse operations in the world.
- Will oversee Delta Greenhouse Complex and over 200 trained staff.



# Strategic Partners



## Leaders of the Cannabis Industry

### **Namaste Technologies (CSE:N)**

Namaste has a supply agreement to buy up to 10% of production at \$4 per gram



### **Cannabis Compliance Inc.**

Risk mitigation, due diligence, and regulatory licensing consulting services



### **David Hyde Consultants**

Independent risk consultant



# Strategic Investments



## Innovators of the Cannabis Industry

### **Canvas MedTech Inc. (CSE: MTEC)**

Publicly traded spinout company and leading cannabis educator & business technology company in the cannabis space.



### **Natures Hemp Corp. (private issuer)**

Spinout company and biotechnology and consumer products company to go public in 2019.



### **Relay Medical Corp.**

A developer of medical technology innovation and AGRA partner in Glow Life Technologies for the cannabis sector.



### **Blox Labs**

Becoming a licensed producer and AGRA partner in cannabis operations management company.



# New Opportunities

Goal to be a top five cannabis company in Canada



- Introducing propagation science to the cannabis industry
- Replicate large-scale greenhouse project in friendly jurisdictions around the world
- Exploring joint ventures in international markets
- Strategic partnerships with leaders in cannabis space
- Integrate vertically with cannabis products



# Sector Comparables



Company Name	Market Cap (\$MM) February 28, 2019	Funded Facility Size (1,000 sq. ft.)	Funded Capacity (kgs)	Market Cap (\$MM)/ Funded Facility Size	Market Cap (\$MM)/ Funded Capacity
Canopy Growth Corporation	\$20,649	5,600	560	3.69	36.87
Tilray Inc.	\$7,407	912	297	8.12	24.94
Aurora Cannabis Inc.	\$10,166	4,605	500	2.21	20.33
Cronos Group Inc.	\$3,870	1,576	156	2.46	24.81
Supreme Cannabis	\$567	340	34	1.67	16.68
Median Metrics*	\$8,813	3,030	313	2.50	21.69
<b>AgraFlora Organics</b>	<b>\$157</b>	<b>2,100</b>	<b>252</b>	<b>0.05</b>	<b>0.45</b>
<b>Implied AGRA Market Cap*</b>				<b>\$2,104</b>	<b>\$2,186</b>

\* Potential based on median metrics based on CGC, ACB, CRON, FIRE (28-Feb-19). Implied valuation based on 40% ownership of joint venture.

# Recent Milestones



- \$20 million investment received from DOCC
- Cannabis supply agreement signed with Namaste Technologies for up to 25,000,000 gram of cannabis or 10% of total production from the Delta Greenhouse Complex for \$4 per gram,
- Engaged GMP facility experts to design post production exports for the European,
- AAA Heidelberg became a wholly owned subsidiary,
- Propagation supply agreement signed with Cabbay Holdings Corp.,
- Letter of intent executed with Blox Labs to build a best-in-class team of professionals to manage and operate state-of-the-art agricultural greenhouse facilities,
- Form Glow Life Technologies in partnership with Relay Medical Corp. to pursue medical related technology opportunities in the global cannabis sector,
- Large library of cannabis seed varieties from diverse lineages acquired from a private genetics firm.

# Management Team



## **Derek Ivany: President & CEO**

Mr. Derek Ivany was appointed President and Chief Executive Officer of AgraFlora Organics International Inc. since April 2016 and was instrumental at leading the company away from its resource past to become a large-scale cannabis producer on the world stage. As a public company consultant, Mr. Ivany has worked with numerous publicly traded companies across many different industries. He began his career in investor relations, marketing and corporate development in the oil & gas industry. He transitioned into the junior resource and mining section and most recently to technology and cannabis industries where he has continued to excel. Mr. Ivany continues to be active in both private and public capital markets and is considered an international influencer in the emerging global cannabis industry.

## **Chris Cherry: CFO**

Mr. Cherry has over 14 years of corporate accounting and audit experience. Mr. Cherry has extensive corporate experience and has held senior-level positions for several public mining companies, including director, chief financial officer and secretary. Mr. Cherry has been a chartered accountant since February, 2009, and a certified general accountant since 2004. He held positions with KPMG and Davidson and Co. LLP in Vancouver, B.C., where he gained experience as an auditor for junior public companies and as an initial public offering specialist.

## **Jerry Habuda: Director**

Mr. Habuda brings over 35 years of expertise in law enforcement and specialized units. From 1977 to 2012, he served as a police officer with the Toronto Police Department. During his tenure, he was assigned to the Major Crimes Unit, investigating robberies and home invasions. He was assigned to patrol the Toronto Community Housing projects at Jane/Finch to control drug trafficking and gun violence. Mr. Habuda was with the Warrant Unit where he tracked down and arrested wanted criminals. From 1993-1997, he was assigned to the Northwest Drug Squad on undercover and surveillance work, executing narcotic search warrants. Between 2002 and 2004, Mr. Habuda headed the Street Violence Task Force, a special unit designed to curb gun and drug violence that was terrorizing the city at the time. Between 2009 and 2012, he was assigned to the Bail Compliance Unit, which was formed to track dangerous criminals with gun and drug charges while they were out on bail.

## **Chris Hornung: Director**

Mr. Hornung has been vice-president of Kenex Manufacturing Co. in Brampton, Ont., since 1999. During his time with the company, he has co-founded and built several new divisions; Kenex Coatings in Mississauga, Ont., is the premier service provider in finishing technology — still part of the group and successfully serving Southern Ontario; and Fluid Concepts and Design Inc. in Oakville, Ont., is a leading designer, distributor and manufacturer of contract office furniture with distribution throughout North America. In addition, Mr. Hornung is a partner in and is responsible for several different real estate holding companies in Vaughan and Brampton, Ont.





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