

AgraFlora Organics International Inc.

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AgraFlora Organics subsidiary strikes extraction partnership with top tier extractor in Quebec

AgraFlora Organics International Inc (CSE:AGRA) (OTCPINK:AGFAF) said Wednesday that its wholly-owned subsidiary, Sustainable Growth Strategic Capital Corp (SGSC), a licensed cannabis company, has struck an extraction partnership for hemp processing with a top tier extractor in Quebec.

In a statement, AgraFlora said the partnership is with Greater Toronto Area-based SGSC's joint venture partner Micro C45 Inc, a Canadian hemp company that has developed a post-harvest mechanical separation process for hemp biomass that results in higher extraction values.

Under the terms of the agreement, the supply partners will deliver to the extractor 44,000 kilograms of hemp biomass for crude and distillate extraction in four installments over six months. As the supply partners, Micro C45 will provide the high-quality hemp biomass to the extractor with SGSC serving as the funding partner.

READ: AgraFlora Organics says Delta greenhouse facility gains standard cultivation license from Health Canada

"Recognizing our extraction partner's commitment to excellence with their GMP certification and advanced high volume extraction capabilities for hemp, we see this new partnership as a nod to our capacity to deliver a technically superior extraction-ready material and the ability to propel higher yields and throughputs resulting in efficiencies that drive costs down," AgraFlora Organics CEO Brandon Boddy said in a statement.

"The efficiencies garnered from higher-quality input material will finally allow for reduced production costs in creating CBD products derived from hemp, ultimately allowing for more economical solutions for users and patients in health and wellness products," he added.

Separately, the company revealed it intends to complete a non-brokered private placement of up to 26,666,667 units at a price of 7.5 cents per unit for gross proceeds of \$2 million.

Each unit will consist of one share and one transferable share purchase warrant. Each warrant entitles the holder to buy an additional share for a period of five years from closing at a price of 10 cents per share.

A diversified cannabis company, Vancouver-based AgraFlora owns an indoor cultivation facility in London, Ontario, as well as the edibles manufacturing facility in Winnipeg. The company is also a joint venture partner in Propagation Services Canada Inc, which operates a 2.2 million-square-foot greenhouse complex in Delta, British Columbia.

AgraFlora's wholly-owned subsidiary Farmako GmbH is scaling towards its goal of being Europe's leading distributor of medical cannabis.

Price: 0.055

Market Cap: \$59.25 m

1 Year Share Price Graph



Share Information

Code: AGRA

Listing: CSE

52 week High Low
0.34 0.03

Sector: Cannabis

Website: agraflora.com

Company Synopsis:

AgraFlora Organics International Inc. is a growth oriented and diversified company focused on the international cannabis industry. The Company is a vertically integrated with significant cultivation, manufacturing, branding and distribution capabilities. Its flagship asset is a joint venture in a large-scale 2,200,000 sq. ft. greenhouse complex in Delta, BC, currently being retrofitted for cannabis production.

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