

AgraFlora Organics International Inc.

08:30 24 Apr 2020

AgraFlora Organics subsidiary successfully completes first batch of CBD oil and distillate

AgraFlora Organics International Inc (CSE:AGRA) (OTCPINK:AGFAF) announced Friday that its subsidiary Sustainable Growth Strategic Capital Corp (SGSC) has produced its first run of full spectrum winterized CBD crude oil and distillate.

SGSC, based in the Greater Toronto Area, is targeting the underserved market for CBD oil, distillate and isolate by establishing revenue-generating partnerships.

To that end, the company teamed up with Micro C45 Inc, a firm that has developed a post-harvest mechanical separation process for hemp that results in higher extraction value. The partnership has led to agreements with multiple Canadian companies to create formulations and finished products with oil, distillate and isolate.

READ: AgraFlora Organics International eyeing cultivation licence for large British Columbia greenhouse before end of second quarter

Now, SGSC's first batches of CBD oil and distillate are complete and in the final stages of being prepared for sale, the company said. The first batch of distillate is expected in the second quarter.

"After seeking approval for many formulations, [licensed cannabis producers] have struggled to identify reliable and consistent sources of CBD derivatives to meet their formulation and manufacturing requirements for those edible, oil, topical, tincture and beverage products," AgraFlora CEO Brandon Boddy said in a statement.

"Our strategy with SGSC is to meet that demand with high-quality CBD inputs processed from Canadian hemp utilizing our strong relationships in the Canadian hemp and CBD space. This model allows us and our partner to focus on sourcing the highest quality hemp and to pursue strong relationships with down-stream buyers," he added.

SGSC said it plans to utilize as much as 225,000 kilograms (kg) of hemp from Micro C45 in 2020, which it expects to generate up to 12,000 kg of distillate or 10,000 kg of isolate.

AgraFlora also owns an indoor cultivation facility in London, Ontario, as well as an edibles manufacturing facility in Winnipeg, currently being retrofitted.

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.

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Price: 0.03

Market Cap: \$41.82 m

1 Year Share Price Graph



Share Information

Code: AGRA

Listing: CSE

52 week High Low
 0.205 0.015

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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