



Village Farms International's Pure Sunfarms Completes First Export Shipment to Australia for Medicinal Cannabis Market Via Altum International and Commences Cultivation in Second 1.1 Million Square Foot Greenhouse Facility

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– EU-GMP Certification Inspection of Pure Sunfarms Delta 3 Facility Completed –

VANCOUVER, BC, Sept. 29, 2021 /CNW/ - Village Farms International, Inc. ("Village Farms" or the "Company") (NASDAQ: VFF) (TSX: VFF) today announced its wholly owned Canadian cannabis subsidiary, Pure Sunfarms, has completed its first export shipment of cannabis, supplying a variety of high-quality, high-THC dried flower products to Village Farms' minority interest investee, Australia-based Altum International Pty Ltd. ("Altum")¹, for the Australian medicinal cannabis market. The products will be sold under Altum's recently launched brand, Kind Medical (www.kind.com.au). The shipment is the first international export shipment for Pure Sunfarms and its first shipment to Australia under a three-year supply agreement with Altum.



Medicinal cannabis was federally legalized in Australia in 2016. Following a period of moderate expansion, the Australian medicinal cannabis market is currently experiencing strong growth, due in part to the significant increase in the number of authorised prescribers. Patient numbers have increased 15-fold over the past two years², with total market sales for 2021 forecast to increase to approximately AU\$200 million, double that of the approximately AU\$100 million in total market sales in 2020².

"This is another important milestone for Village Farms' cannabis strategy for a number of reasons," said Michael DeGiglio, CEO, Village Farms International. "For Pure Sunfarms, exportation of their leading cannabis products represents a significant long-term opportunity to leverage their scale and position as the top-selling dried flower brand in three of Canada's largest provincial markets³ for opportunities beyond the Canadian market. For our partner Altum, it marks commercial entry into their third Asia-Pacific market, and entry into their first high-THC cannabis market. And for Village Farms overall, it is an example of the significant synergies that are developing amongst our family of brands and partners."

"We are excited to supply dried flower for consumers internationally for the first time and look forward to supporting our partner, Altum, as they expand their product offerings going forward to build their own brand in the Australian medicinal market," said Mandesh Dosanjh, President and Chief Executive Officer, Pure Sunfarms. "We are confident that the top-selling³ everyday premium products we produce in Canada will be favourably received by medicinal cannabis patients in Australia."

"Altum exists to bring the life-changing benefits of cannabinoids back to the Asia-Pacific region," said Ean Alexander, Chief Executive Officer, Altum International. "As the Australian medicinal cannabis market has experienced rapid growth, especially in the past year, the combination of quality, affordability and availability has been largely unattainable for patients. We have established Kind Medical to specifically address that. With our partner, Pure Sunfarms, we look forward to bringing some of the highest quality cannabis in the world to the Australian market."

Pure Sunfarms Commences Cultivation in Second 1.1 Million Square Foot Greenhouse Facility (Delta 2)

Village Farms also announced that Pure Sunfarms has commenced cannabis cultivation in the completed half of its second 1.1 million square foot greenhouse facility, Delta 2. Harvesting in Delta 2 is expected to begin in November of this year.

Pure Sunfarms Provides Update on EU-GMP Certification Process: Inspection Completed

Village Farms also announced that EUDRA, the certifying body of European Union Good Manufacturing Practices (EU-GMP), has completed its inspection of Pure Sunfarms' Delta 3 cannabis production and processing facility in Delta, British Columbia. If successful in obtaining its EU-GMP certification prior to the end of this year, Pure Sunfarms could begin shipping product to the EU in the first quarter of 2022.

Notes

1. Village Farms has a 12% ownership interest in Altum.
2. FreshLeaf Analytics: Australian Medicinal Cannabis Market Patient, Product and Pricing Analysis, H1 2021.
3. Dried flower category in Ontario (based on Ontario Cannabis Store market data for the quarter ended June 30, 2021 calculated by Pure Sunfarms from sales information provided by OCS) and dried flower category in Alberta and British Columbia based on data calculated by Pure Sunfarms from sales information provided by Buddi retail store data from over 300 retailers across Alberta and British Columbia as of June 30, 2021.

About Village Farms International, Inc.

[Village Farms](http://VillageFarms.com) leverages decades of experience as a large-scale, Controlled Environment Agriculture-based, vertically integrated supplier for high-value, high-growth plant-based Consumer Packaged Goods, with a strong foundation as a leading fresh produce supplier to grocery and large-format retailers throughout the US and Canada, along with new high-growth opportunities in the cannabis and CBD categories in North America and selected markets internationally.

In Canada, the Company's wholly-owned Canadian subsidiary, [Pure Sunfarms](#), is one of the single largest cannabis operations in the world, the lowest-cost greenhouse producer and one of the best-selling brands.

In the US, wholly owned [Balanced Health Botanicals](#) is one of the leading CBD brands and e-commerce platforms in the country. Subject to compliance with all applicable US federal and state laws and stock exchange rules, Village Farms plans to enter the US high-THC cannabis market via multiple strategies, leveraging one of the largest greenhouse operations in the country (more than 5.5 million square feet in West Texas), as well as the operational and product expertise gained through Pure Sunfarms' cannabis success in Canada.

Internationally, Village Farms is targeting selected, nascent, legal cannabis and CBD opportunities with significant medium- and long-term potential, with an initial focus on the Asia-Pacific region and Europe.

About Altum International Pty Ltd

[Altum International](#) exists to bring the life-changing benefits of cannabinoids back to the Asia-Pacific region. Through its comprehensive range of B2C and B2B cannabinoid products, Altum navigates a complex regulatory landscape in order to meet an exploding regional demand for the next generation of consumer wellness; all powered by quality, cost-competitive and highly effective cannabinoids. From 2019, Altum has launched a line of consumer-friendly CBD products ([Felix & Co](#)), as well as plug-and-play CBD inputs for business operators ([LIFE CBD](#)) for the Asia-Pacific markets. Following this, Altum launched [Found](#), Asia-Pacific's first CBD retail platform and café – designed to educate consumers and elevate category awareness. In 2021 Altum launched [Kind Medical](#), its first THC-containing medicinal cannabis in the Australian market. With a global mindset and regionally oriented team, Altum is creating sustainable value for its shareholders and partners through "World-First" concepts, resonant brands, and safe, compliant access to cannabinoids for Asia-Pacific. For more information, visit www.altum.group

Cautionary Statement Regarding Forward-Looking Information

This press release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and is subject to the safe harbor created by those sections. This press release also contains "forward-looking information" within the meaning of applicable Canadian securities law. Forward-looking information can be identified by such terms as "outlook", "may", "might", "will", "could", "should", "would", "occur", "expect", "plan", "anticipate", "believe", "intend", "try", "estimate", "predict", "potential", "continue", "likely", "schedule", "objectives", or the negative or grammatical variation thereof or other similar expressions concerning matters that are not historical facts, although not all forward-looking statements contain these identifying words. The forward-looking statements in this press release are subject to risks that may include, but are not limited to Company's expansion plans, expectations regarding cannabis and CBD categories in North America, Australia and selected markets internationally, Pure Sunfarms Delta 2 operational capabilities and harvesting capacity, uncertainties in Pure Sunfarms obtaining the EU-GMP certification before the end of 2021, timing of EU shipments in first quarter of 2022, the retail CBD and high-THC cannabis markets, the legal and regulatory status of the cannabis and the CBD business in the North America and Asia-Pacific markets; risks associated with Altum's expansion, regional demand for its products and other lines of businesses risks relating to obtaining additional financing, dependence upon credit facilities, profitability, product pricing, cannabis, hemp and agricultural businesses, relating to the conversion of our greenhouses to cannabis the ongoing and developing COVID-19 pandemic and tax risks. The Company has based these forward-looking statements on factors and assumptions about future events and financial trends that it believes may affect its financial condition, results of operations, business strategy and financial needs. Although the forward-looking statements contained in this press release are based upon assumptions that management believes are reasonable based on information currently available to management, there can be no assurance that actual results will be consistent with these forward-looking statements. Forward-looking statements necessarily involve known and unknown risks and uncertainties, many of which are beyond the Company's control, that may cause the Company's or the industry's actual results, performance, achievements, prospects and opportunities in future periods to differ materially from those expressed or implied by such forward-looking statements. These risks and uncertainties include, among other things, the factors contained in the Company's filings with securities regulators available on SEDAR and EDGAR. When relying on forward-looking statements to make decisions, the Company cautions readers not to place undue reliance on these statements, as forward-looking statements involve significant risks and uncertainties and should not be read as guarantees of future results, performance, achievements, prospects and opportunities. The forward-looking statements made in this press release relate only to events or information as of the date on which the statements are made in this press release. Except as required by law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

SOURCE Village Farms International, Inc.

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