



Village Farms International's Cannabis Joint Venture Pure Sunfarms Begins Shipping Branded Products to Manitoba

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– Pure Sunfarms Remains Top-Selling Dried Cannabis Brand with Ontario Cannabis Store¹ and Achieves Sales Records in July –

VANCOUVER, BC, July 24, 2020 /CNW/ - Village Farms International, Inc. ("Village Farms" or the "Company") (NASDAQ: VFF) (TSX: VFF) today announced its majority-owned joint venture for large-scale, low-cost, high-quality cannabis production, Pure Sunfarms, has begun shipping branded, packaged dried flower products to Manitoba's licensed private sector retailers, with these products available at the first 26 participating retailers in Manitoba beginning this week.

Pure Sunfarms' products are now available in five of Canada's six most populous provinces, which in aggregate represent more than 70% of the total Canadian population. Manitoba ranks as the sixth largest Canadian province by cannabis sales, comprising approximately 4.5% of the country's total sales and has a higher per capita spend on cannabis than the country average².

"We are thrilled to further expand our presence in Canada and make Pure Sunfarms' products available to even more Canadians by adding our fifth province," said Mandesh Dosanjh, President & CEO, Pure Sunfarms. "We are confident that the Pure Sunfarms brand and products, with quality, signature strains at an attractive price, will be received by Manitobans with the same enthusiasm that they have been in Ontario, British Columbia, Alberta and Saskatchewan."

Village Farms also announced that the Pure Sunfarms brand achieved record sales (defined as sales of Pure Sunfarms products by the provincial boards to retailers, as well as sales by the provincial boards directly to consumers via their web sites) in Ontario, British Columbia, and Alberta in aggregate for the four-week period ending July 19, 2020. Sales during the final week of that four-week period were also a record for a one-week period. In addition, Pure Sunfarms continues to rank as the top-selling dried flower brand at the Ontario Cannabis Store for the year to date.¹

"Pure Sunfarms continues to execute on its growth strategy, leveraging its leading brand performance¹ for a larger consumer audience, as the overall Canadian recreational cannabis market continues to grow," said Michael DeGiglio, CEO, Village Farms. "The continuing strength of Pure Sunfarms' brand strategy, positioning and execution, coupled with recent sales momentum as the Canadian market recovers from a soft second quarter due to the COVID-19 pandemic, bodes very well as Pure Sunfarms prepares for the launch of its first bottled oil and vape products in the coming weeks."

Pure Sunfarms continues to advance discussions with other provincial distributors for potential supply agreements to further expand its presence in the Canadian cannabis market.

Notes

1. Dried cannabis, by kilograms sold, for the year to date period ended June 30, 2020. Market share performance is based on calculations by Pure Sunfarms from sales information provided by the Ontario Cannabis Store (OCS).
2. 12 months ended April 30, 2020. Source: Statistics Canada.

About Village Farms International, Inc.

Village Farms is one of the largest and longest-operating vertically integrated greenhouse growers in North America. Village Farms produces and distributes fresh, premium-quality produce with year-round to national grocers in the U.S. and Canada from more than nine million square feet of Controlled Environment Agriculture (CEA) greenhouses in Canada and the U.S., as well as from its partner greenhouses in Canada and Mexico. The Company is leveraging its 30 years of experience as a large-scale, low-cost vertically integrated grower for the rapidly emerging global cannabis and CBD opportunities. In Canada, British-Columbia-based Pure Sunfarms (majority-owned by Village Farms) is one of the single largest cannabis operations in the world and one of the best-selling brands in the country. In the U.S., subject to compliance with all applicable U.S. federal and state laws, the Company is pursuing a strategy to become a leading developer and supplier of branded and white-labeled CBD products targeting "big box" and other major retailers and consumer packaged goods companies, and with one of the largest greenhouse operations in the country, is well positioned for the potential federal legalization of high-THC cannabis.

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. We refer to such forward-looking statements and forward-looking information collectively as "forward-looking statements". Forward-looking statements may relate to the Company's future outlook or financial position and anticipated events or results and may include statements regarding the financial position, business strategy, budgets, expansion plans, litigation, projected production, projected costs, capital expenditures, financial results, taxes, plans and objectives of or involving the Company. Particularly, statements regarding future results, performance, achievements, prospects or opportunities for the Company, the greenhouse vegetable industry or the cannabis industry are forward-looking statements. In some cases, 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. The forward-looking statements in this press release are subject to risks that may include, but are not limited to: our limited operating history, including that of our

Pure Sunfarms Corp. joint venture for the production of cannabis in Canada (our "Joint Venture") and our start-up operations of growing hemp in the United States; the legal status of our Joint Venture; risks relating to obtaining additional financing, including our dependence upon credit facilities; potential difficulties in achieving and/or maintaining profitability; variability of product pricing; risks inherent in the cannabis, hemp and agricultural businesses; the ability of our Joint Venture to cultivate and distribute cannabis in Canada; existing and new governmental regulations, including risks related to regulatory compliance and licenses (e.g., our Joint Venture's ability to obtain licenses for its Delta 2 greenhouse facility as well as additional licenses under the Canadian Act Respecting Cannabis To Amend to the Controlled Drugs and Substances Act, the Criminal Code and other Acts, S.C. 2018, c. 16 (Canada) for its Delta 3 greenhouse facility), and changes in our regulatory requirements; risks relating to conversion of our greenhouses to cannabis production for our Joint Venture; risks related to rules and regulations at the U.S. federal (Food and Drug Administration and United States Department of Agriculture), state and municipal levels with respect to produce and hemp; retail consolidation, technological advances and other forms of competition; transportation disruptions; product liability and other potential litigation; retention of key executives; labor issues; uninsured and underinsured losses; vulnerability to rising energy costs; environmental, health and safety risks, foreign exchange exposure, risks associated with cross-border trade; difficulties in managing our growth; restrictive covenants under our credit facilities; natural catastrophes; 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, including our most recent Annual Report on Form 10-K, our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, each of which is available at www.sec.gov, as well as our filings on SEDAR, available at www.sedar.com. In particular, we caution you that our forward-looking statements are subject to the ongoing and developing circumstances related to the COVID-19 pandemic, which may have a material adverse effect on our business, operations and future financial results.

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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