

The logo for Village farms, featuring the word "Village" in a large, white, cursive script and the word "farms" in a smaller, white, sans-serif font with a registered trademark symbol, all set against a solid green rectangular background.

Village
farms®

August 2019

AN UNMATCHED PLATFORM FOR THE
GLOBAL CANNABIS OPPORTUNITY

It Takes a Village™

Forward Looking Statements

This presentation contains certain "forward looking statements". These statements relate to future events or future performance and reflect the Company's expectations regarding its growth, results of operations, performance, business prospects, opportunities or industry performance and trends. These forward looking statements reflect the Company's current internal projections, expectations or beliefs and are based on information currently available to the Company. In some cases, forward looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue" or the negative of these terms or other comparable terminology. A number of factors could cause actual events or results to differ materially from the results discussed in the forward looking statements. In evaluating these statements, you should specifically consider various factors, including, but not limited to, such risks and uncertainties as availability of resource, competitive pressures and changes in market activity, risks associated with U.S. and Canadian sales and foreign exchange, regulatory requirements and all of the other "Risk Factors" set out in the Company's current Annual Information Form and Management's Discussion and Analysis for the year ended December 31, 2018, which are available electronically at www.sedar.com. Actual results may differ materially from any forward looking statement. Although the Company believes that the forward looking statements contained in this presentation are based upon reasonable assumptions, you cannot be assured that actual results will be consistent with these forward looking statements. These forward looking statements are made as of the date of this presentation, and other than as specifically required by applicable law, the Company assumes no obligation to update or revise them to reflect new events or circumstances.

Market Facts

(As of August 28, 2019)

LISTING SYMBOL	PRICE	MARKET CAPITALIZATION	52-WEEK HIGH/LOW	SHARES OUTSTANDING	MANAGEMENT & BOARD OWNERSHIP
TSX:VFF	\$13.97	CDN\$687 M (basic)	CDN\$24.25 CDN\$3.98	49.2 M (basic)	~21.5%
NASDAQ: VFF	\$10.52	US\$518 M (basic)	US\$18.10 US\$2.93	53.0 M (diluted)	

Publicly traded company since 2006
Very strong alignment of management and shareholders

Leveraging decades of experience as a large-scale, low-cost, vertically integrated grower for nascent large market opportunities

Canadian Legal Cannabis:

\$4B+ in 2019¹

Global Hemp-Derived CBD:

\$22B by 2022²

US Legal Cannabis:

\$25B by 2025³

Canadian cannabis JV already one of the largest producers in Canada and profitable

Aggressively pursuing a consumer packaged goods strategy to capitalize on the hemp/CBD opportunity the U.S.

Proven ability to quickly transition existing large-scale operations to new agricultural opportunities

Focused on near-term cash flow generation and rapid ramp to profitability

Unmatched North American Greenhouse Assets



Owned Assets

8.3 M sq. ft. (190 acres)

Canada: Delta, BC

1 Facility

2.6 M sq. ft. (60 acres)



U.S.: West Texas

4 Facilities - Vegetables

5.7 M sq. ft. (130 acres)



Cannabis JV

(50% ownership)

2.2 M sq. ft. (50 acres)

Canada: Delta, BC

2 Facilities: Delta 2 & Delta 3
(formerly owned by Village Farms)



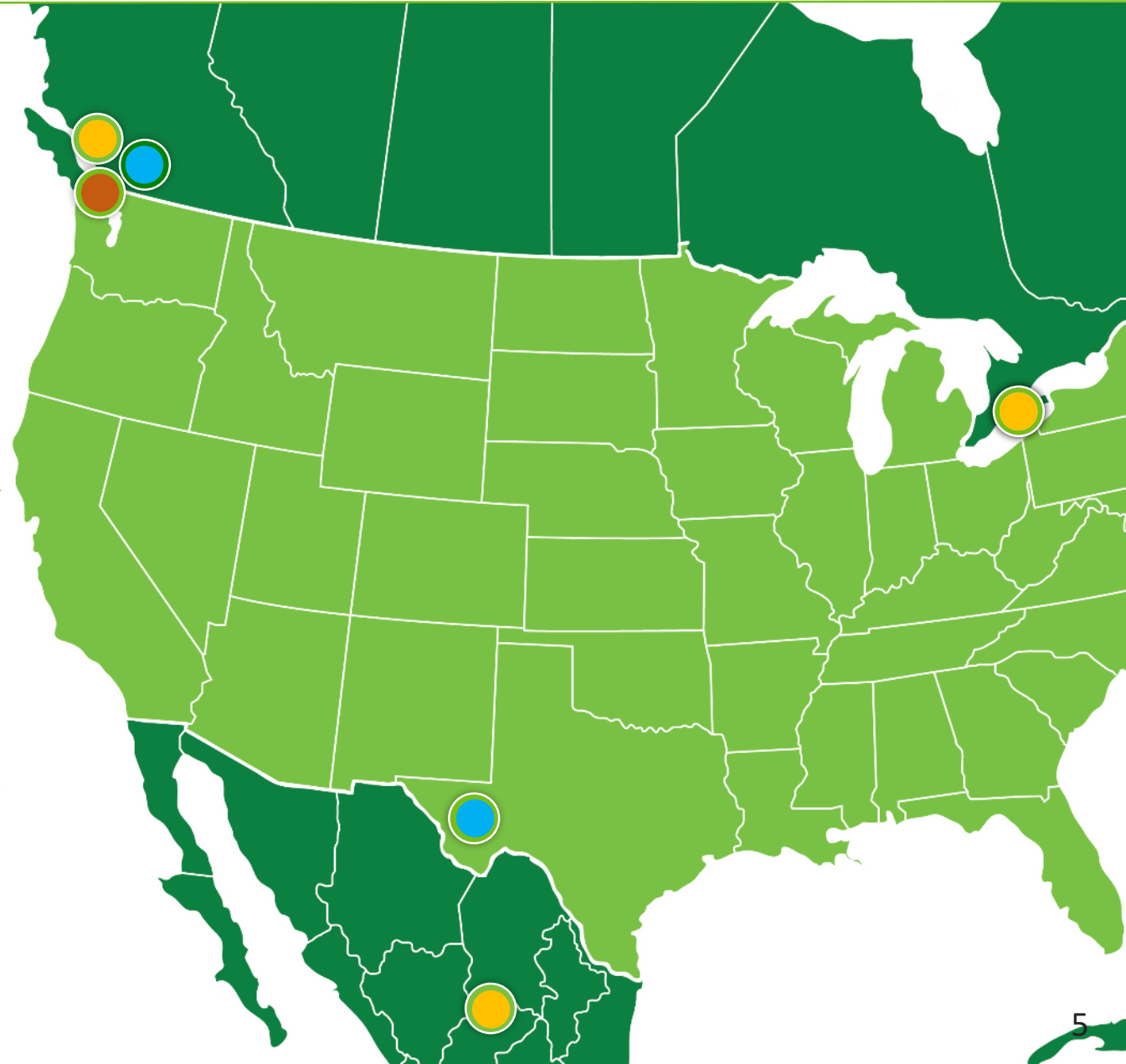
Growing Partners

Vegetables

Mexico: 1.7+ M sq. ft. (40+ acres)

Ontario: 3.0 M sq. ft. (70 acres)

BC: 3.0 M sq. ft. (70 acres)



Leaders in High-Tech, Low-Cost Vertically Integrated Greenhouse Growing



30-year

history developing and operating
mega-scale greenhouses

Decades of experience as a
vertically integrated grower/distributor,
meeting the stringent specifications of
North America's top grocers

Experts

in agricultural product safety

Leaders

in crop management
registrations in North America

Proven

track record as a
low-cost operator

750 years

of combined master grower
experience from around the world



Cannabis and hemp are agricultural products like any other

Fast Mover Advantage: Ability to Rapidly Transition to New Crops with Lower Risk

Existing facilities require lower cap ex and allow faster time to market compared to new builds

Existing operations with experienced management and skilled labor force enable faster ramp to profitability

Proven operating systems and decades of site-specific experience allow for more effective climate management, providing higher yields

Extensive in-house facilities development and conversion expertise





Village
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It Takes a Village™

Canada

Pure Sunfarms: One of the Largest
Vertically Integrated Cannabis
Producers

Delta, BC

Canada: One of the Largest Vertically Integrated Producers

PURE SUNFARMS

PSF: Village Farms' 50%-Owned JV

2.2 M sq. ft.

conservative projected yield of

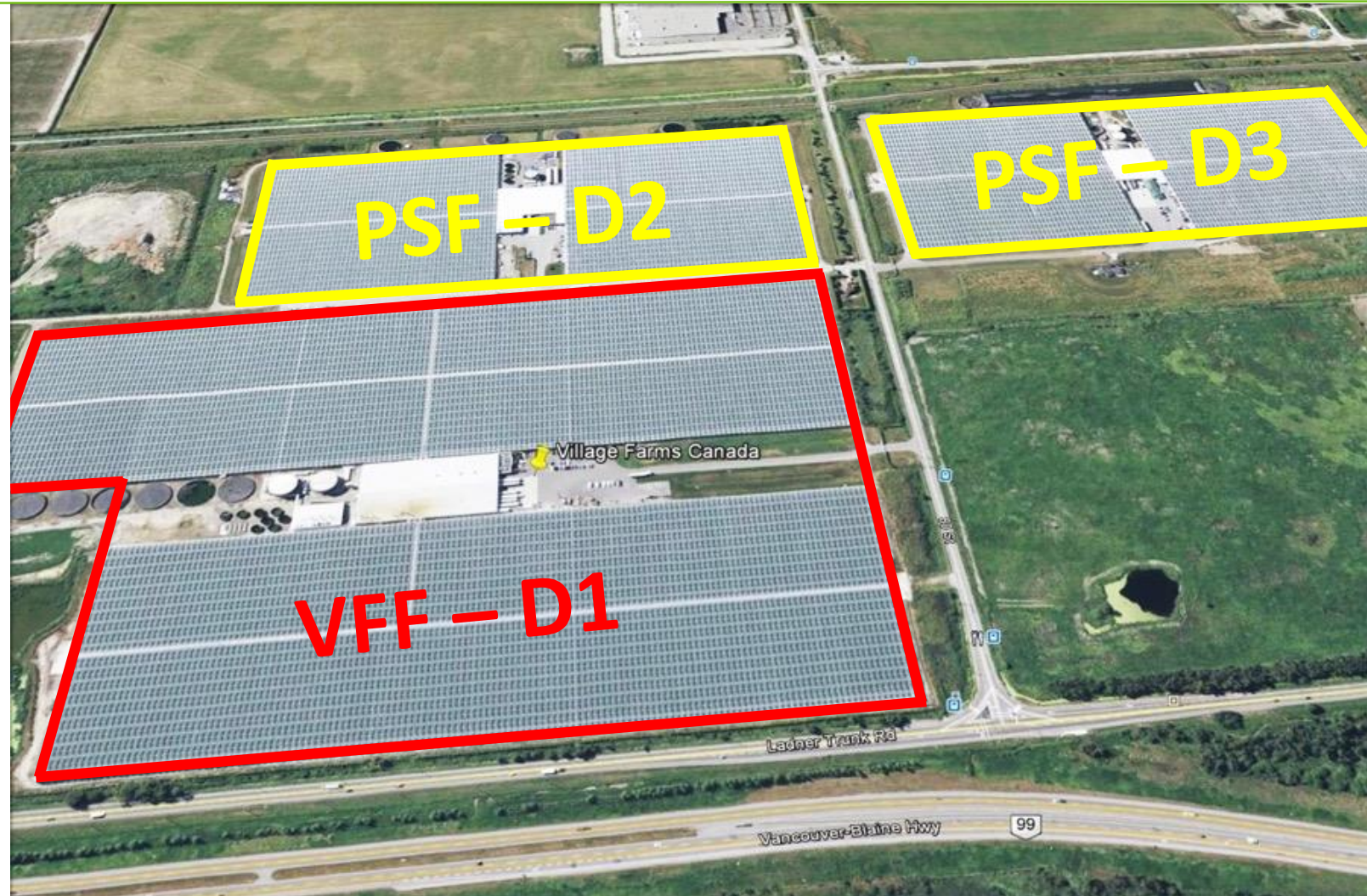
150,000 kg

PSF has option on D1 (owned by
Village Farms) – expires Sept 2021

+2.6 M sq. ft.

conservative projected yield of

+180,000 kg



Pure Sunfarms has the potential to address a substantial portion of forecasted Canadian demand

Creating One of Canada's Largest Vertically Integrated Cannabis Companies

**PURE
SUNFARMS**

Well positioned for the evolution of the Canadian cannabis market

Capitalizing on the current wholesale opportunity to other Licensed Producers

- Wholesale distribution agreements with a Canadian LP
 - 2019: 40% of production @ fixed price
 - 2020-22: 25% of production @ prevailing market price
- Supply shortage: Realizing very favorable spot market pricing
- Strong demand from other Licensed Producers
- Product is consistently meeting the high testing standards of Health Canada

Building a premier vertically integrated supplier with a leading brand and reputation

- Appointed President and CEO: Mandesh Dosanjh
 - Joined from LCBO: SVP, Supply Chain & Wholesale
 - Developed/managed LCBO's supply chain/wholesale strategy for adult-use cannabis
- Selected to supply Ontario Cannabis Store – in discussions for supply agreements with other gov't distributors/private retailers
- Strategic supply arrangement with one of Canada's largest online medical cannabis platforms
- Launch of product and brand strategy imminent
- Extraction capabilities in place by end of 2019

Pure Sunfarms is building a reputation for quality, consistency, safety and reliability

GOAL: Be the Low-Cost, High-Quality Cannabis Producer in Canada

Ingrained culture of high-quality,
low-cost production built over decades

Greenhouse growing provides significant capital
and operating cost efficiencies

- Lower energy needs
- Greater economies of scale
- Allows for greater scale

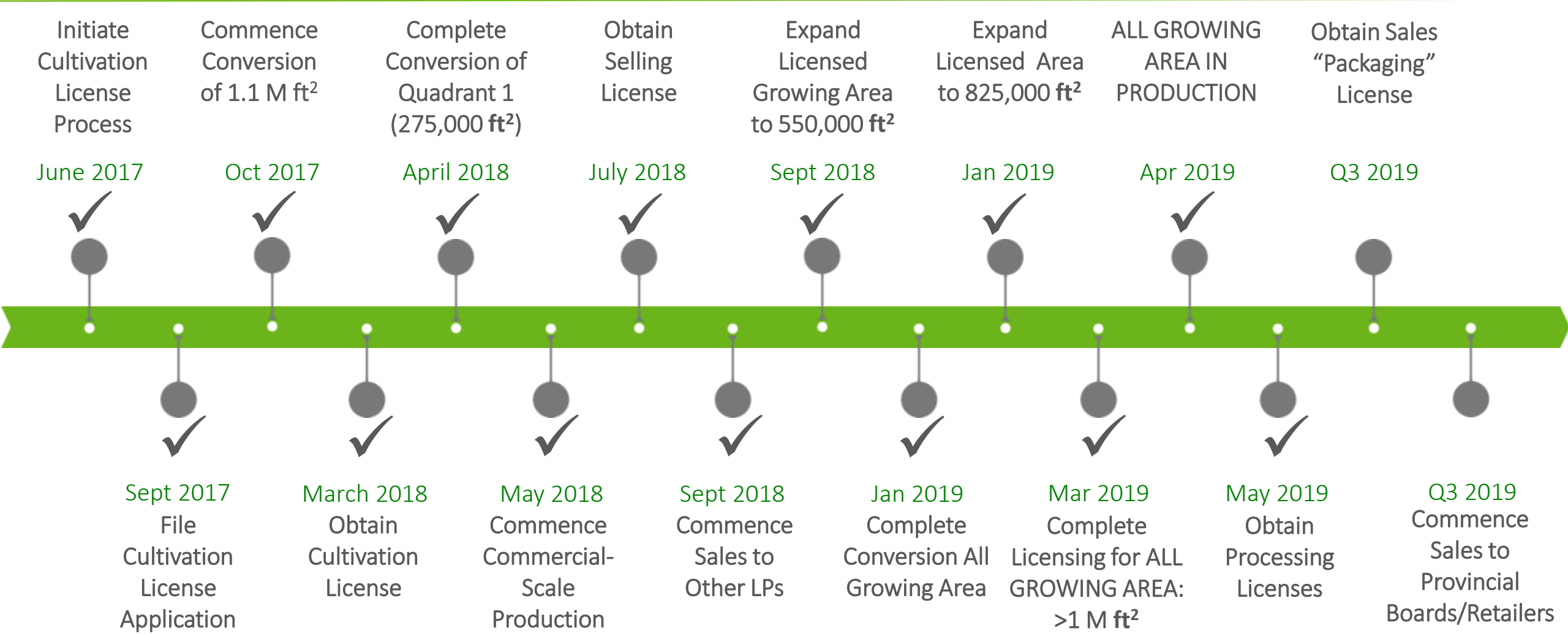
Continuous year-round harvesting and processing
allows for a consistent, experienced, skilled
agricultural labor force

*1. COGS per gram (all in) is impacted by seasonal costs, primarily utilities and co-gen rentals
that occur in winter months but not in summer months.*



Ability to be sustainably profitable in a commoditized market

Delta 3: Rapid Transition to Production and Sale



Delta 3 achieved full run-rate annual production of 75,000 kg in July 2019

Production Ramping Very Well at Scale



Facility operating as intended – benefitting from 20 years of site-specific experience, existing operational/growing team and existing labor force

Quality and consistency firmly in line with expectations

Yield consistent with production targets

Production to date validating low-cost assumptions

Nursery capable of supplying production double the size of the Delta 3 requirement

On track to achieve or exceed all production expectations/forecasts

Delta 2: Replicating the Success of Delta 3 to Double Production

Delta 3: 1.1 M sq. ft



Operating at full run-rate annual prod'n
of 75,000 kg

Delta 2: 1.1 M sq. ft.



First harvest: Mid-2020
Full run-rate annual prod'n of 75,000 kg: Q4 2020

Targeted Annual Production



Conversion and ramp of Delta 2 will benefit from the significant learnings of Delta 3

Pure Sunfarms Already Contributing to Financial Results

VFF's Proportionate Share of Pure Sunfarms' Financial Results

(millions except per gram amounts)	Q2 2019		Q1 2019	
	\$CAD	\$US	\$CAD	\$US
Cannabis Sales	16.2	12.1	7.2	5.4
Cost of Goods Sold per gram (all in) ¹	0.65	0.49	1.38	1.06
SG&A as a percentage of Revenue	7%	7%	9%	9%
Gross Margin %	84%	84%	65%	65%
Net Income	18.6	13.9	5.7	4.3
EBITDA ²	12.6	9.4	4.3	3.2
EBITDA ¹ Margin %	78%	78%	59%	59%

1. Cost of goods sold per gram (all in) is impacted by seasonal costs-primarily utilities and co-gen rentals that occur in winter months but not in summer months.

2. EBITDA is not a recognized earnings measure and does not have a standardized meaning prescribed by IFRS. Therefore, EBITDA may not be comparable to similar measures presented by other issuers. Management believes that EBITDA is a useful supplemental measure in evaluating the performance of the Company.

Three consecutive quarters of profitability

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It Takes a Village™

U.S. & Beyond

Uniquely Positioned for Both Near-Term
& Longer-Term Opportunities

Fort Davis, Texas

Hemp/CBD: A Significant Near-Term Opportunity

Vertically Integrated Strategy to Capture Value Throughout Supply Chain

Outdoor
Cultivation

Centralized
Extraction

Will initially sell hemp biomass and wholesale CBD oil ahead of product development to drive near-term cash flow

Greenhouse
Cultivation

On-site
Extraction

Product
Development &
Manufacturing

Targeting “Big Box” &
Other Major Retailers
and CPG Companies

- White-Labeled CBD Products
- Branded CBD Products

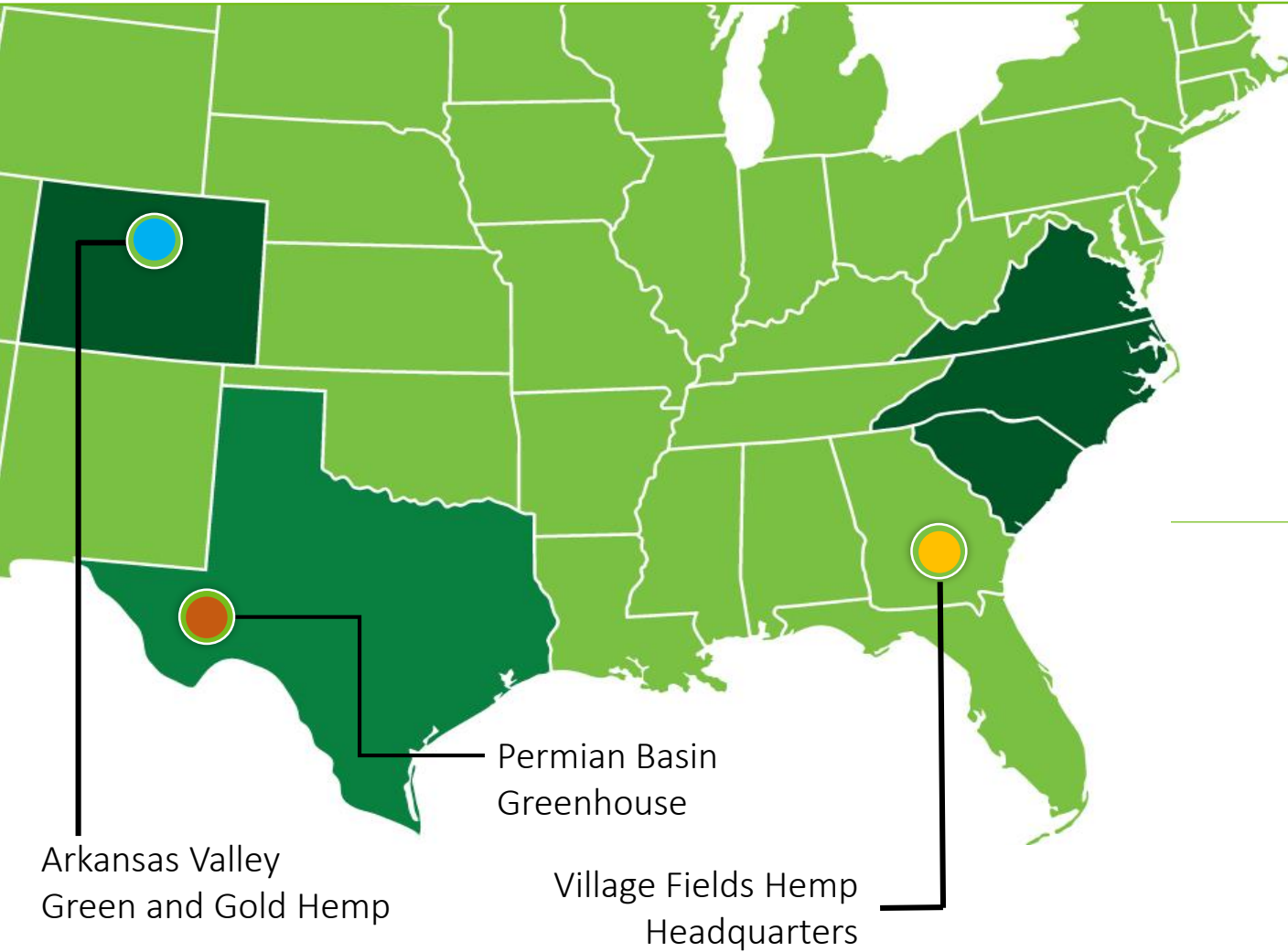
Projected U.S. CBD Market

\$16B by 2025¹

1. Cowen: Cowen's Collective View of CBD, February 2019

Will collaborate with geneticists, academics and researchers to drive genetic advances and cultural practices to optimize plant traits and yields

Large-Scale Hemp Production Potential



Outdoor Operations

Village Fields Hemp: ~800 acres in 2019

Virginia South Carolina North Carolina

Arkansas Valley Green and Gold Hemp:
~120 acres in 2019

Colorado

Greenhouse Conversion Opportunity

Texas: 5.7 M sq. ft. (130 acres)

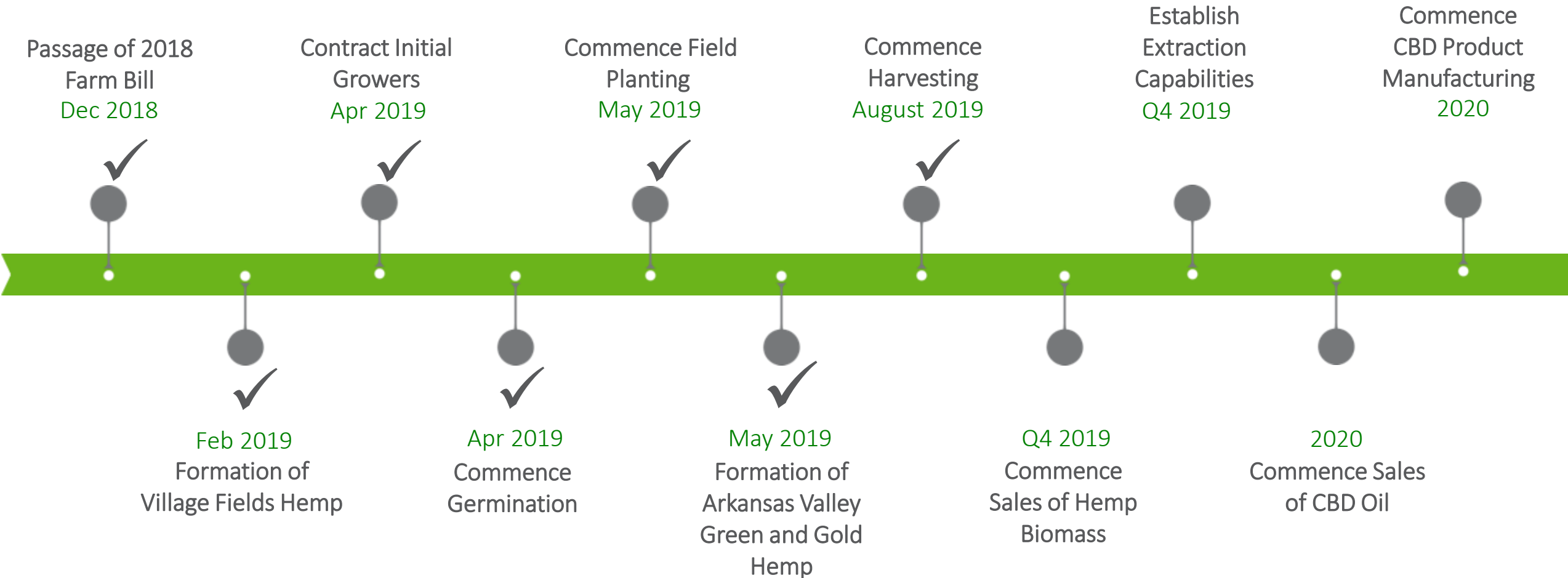
Permian Basin (Monahans): >1.3 M sq. ft. (30 acres)

Marfa (2): >2.5 M sq. ft. (60 acres)

Fort Davis: >1.7 M sq. ft. (40 acres)

Have commenced growing hemp outdoors and have commenced conversion of half of Permian Basin greenhouse

Outdoor Hemp: Rapid Path to Cash Flow Generation



2020: Commence sales of white labeled and branded CBD products to “big box” retailers

Greenhouse Hemp Opportunity: One of the Largest Footprints in U.S.

5.7M sq. ft. of existing, state-of-the-art greenhouse operations in West Texas – the best growing climate in U.S. (all 100%-owned by Village Farms)



Permian Basin, Texas

Commenced conversion of half of 1.3 M sq. ft., ultra-high-tech Permian Basin facility (Monahans, TX) for hemp cultivation and on-site extraction

Will begin growing and processing hemp as soon as possible upon Texas regulatory and licensing framework being put in place

Conversion and production ramp will benefit from cannabis experience in Canada

Cannabis cultivation uses the same growing system as hemp cultivation – Could rapidly transition to cannabis from hemp should cannabis be legalized at federal and state levels

Village Farms' Hemp/CBD Advantage

Decades of experience as a vertically integrated supplier to North America's top grocery and "big box" retailers



Millions of dollars and countless person hours invested in infrastructure and IT systems to consistently meet customers' exacting standards

Existing in-house regulatory team with deep expertise and extensive experience with USDA and FDA

Village Farms already has established relationships with the leading "big box" retailers, and a reputation for quality, reliability and safety

Uniquely Positioned for Multiple Large-Scale Opportunities

- Unmatched platform with proven ability to move quickly into new high-value crops
- **Canada:** Pure Sunfarms is firmly on track to be one of the largest vertically integrated cannabis producers with the capability to be the low-cost, high-quality producer
- **USA:** Aggressively pursuing opportunities in hemp/CBD with field and greenhouse cultivation: JV for field hemp cultivation/extraction and own one of the largest greenhouse footprints (independent of Canadian JV)
- **Mexico:** Strong existing partnerships/operations with large-scale growers to pursue cannabis opportunities
- Well aligned management team – ~19% owned by founder and CEO
- Compelling valuation on Canadian cannabis business alone – PLUS US/international hemp and cannabis opportunities PLUS underlying produce business

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