



CANNABIS

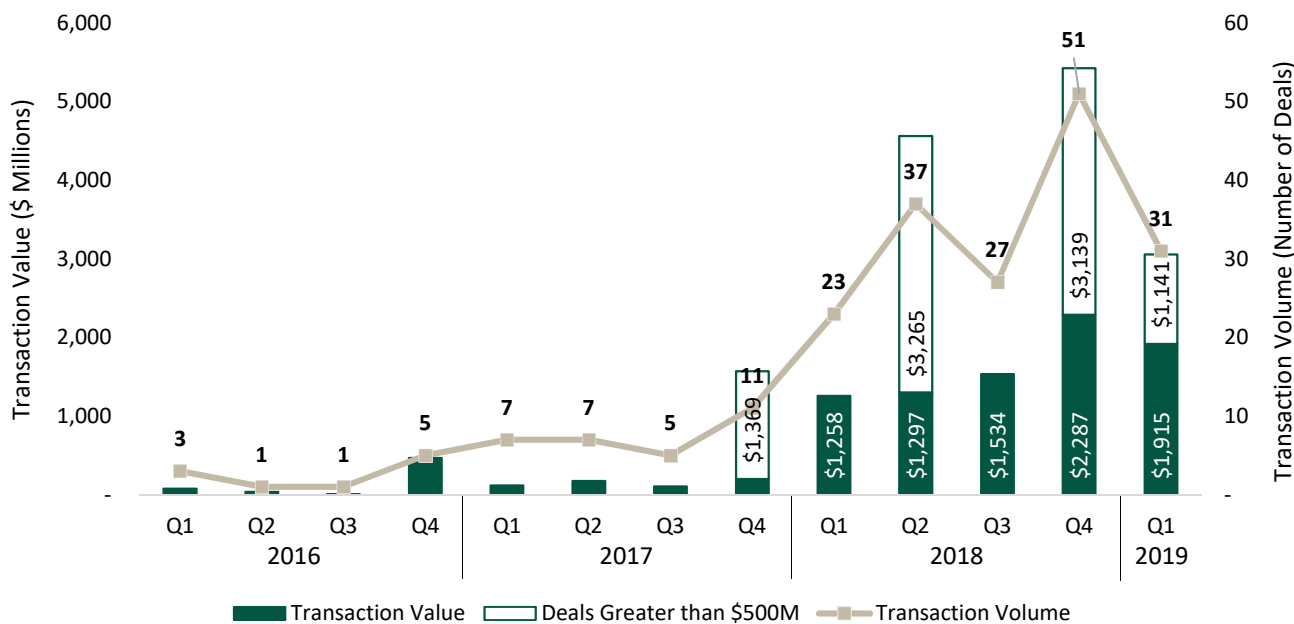
QUARTERLY UPDATE

Q1 2019

INDUSTRY OVERVIEW

M&A TRANSACTIONS & PERFORMANCE

CANNABIS M&A TRANSACTIONS*



*All figures are in \$CAD unless otherwise stated.

M&A MARKET UPDATE FOR Q1 2019

- Merger and acquisition (M&A) activity in the cannabis industry tapered slightly in the first quarter 2019, with 31 deals announced and/or closed.
- The fourth quarter of 2018 had three deals greater than \$500 million in value, all focused on U.S. markets (MPX / iAnthus \$835 million; ebbu / Canopy \$530 million; PharmaCann / MedMen \$890 million). However, the first quarter of 2019 only had one deal surpassing this threshold (Verano Holdings / Harvest Heath & Recreation \$1.1 billion). *All deals above \$500 million are shown in the chart by the white bars, and are excluded from the number of transactions.*
- Deal volumes were in line with recent quarterly activity, however deal sizes varied dramatically with 7 deals greater than \$100 million.
- In first quarter 2019, shares continue to be the preferred currency for M&A transactions more so than the historical average, with only 6.7% of all M&A consideration paid in cash on closing. This compares with the three-year total of 13.3% of all transactions paid in cash on closing.

INDUSTRY OVERVIEW

NEWS

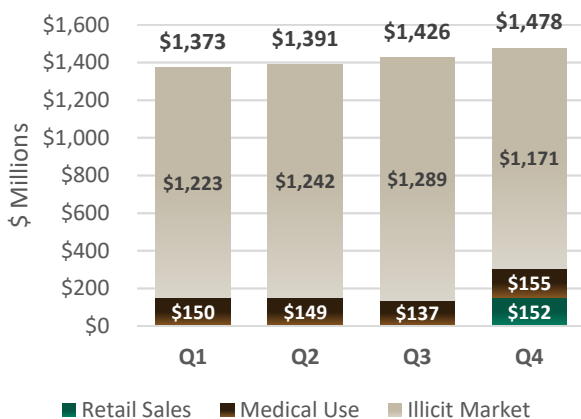
QUARTERLY HIGHLIGHTS

Statistics Canada (StatsCan) released estimated data that compares the legal vs. illegal cannabis market activity. StatsCan highlights that Canadians are paying approximately 50% more for legalized cannabis. The average market price for a gram of legal cannabis is \$9.70, while illegal cannabis demands \$6.51. StatsCan data indicates that cannabis, legal and illegal, totalled \$5.9 billion of household spending based on annualized fourth quarter data during 2018. The black market is estimated to account for \$4.7 billion annualized, which is approximately 80%. Supply shortage is restricting legal cannabis from gaining more market share. The bottleneck that occurs within the supply chain is at the packaging stage. Health Canada noted that in January 2019, total sales of dried cannabis amounted to 7,115 kg which is down 3.7% from 7,385 kg in December. However, the amount of finished dried cannabis at licensed producers increased by 16.4% month over month.

The reason for the lag between quantity of cannabis produced by licenced producers (LPs) and total sales through various channels is because LPs underestimated the amount of packaging infrastructure, logistics and resources it takes to fulfil orders. Some of the first cannabis customers have expressed their concern with regards to the amount of packaging waste from orders online and purchases in-store. Customers have proclaimed that for each gram of cannabis sold, you can expect packaging waste of approximately 70 grams, which seems quite excessive to many. The explanation behind the cannabis supply bottleneck due to excessive packaging resides with the fact that Health Canada has set out strict rules as to the packaging requirements of each cannabis product. According to the Health Canada website “cannabis must be packaged in an immediate container that is tamper-evident, child-resistant, prevents contamination and keeps cannabis dry.” The website continues in stating that “regulations would require that the immediate container be opaque or translucent, and each cannabis package would need to be labelled in accordance with the proposed requirements and include documentation developed by Health Canada that includes health and safety information.”

Cannabis sales declined in January 2019, which is the first month-over-month decrease in sales since October, when cannabis first became legal in Canada. In further breaking down Canadian cannabis retail sales into regions (albeit with data released by StatsCan that is admittedly incomplete), Alberta led the country with \$14 million in sales, while Quebec followed closely behind with \$11 million. The Eastern provinces totalled approximately \$12 million, while B.C. accounted for 3.5% of Canada’s sales or \$2 million. Surprisingly, Ontario, which accounts for almost 40% of Canada’s population, only sold 17% (\$9 million) of Canada’s cannabis in January. This is largely due to the fact that Ontario has taken a much slower approach to licensing and opening brick and motor cannabis retail locations than other provinces and territories and all sales up to and including March 2019 are through the online channel exclusively.

2018 CANNABIS SALES BY CHANNEL



Sources:

- <https://www150.statcan.gc.ca/n1/pub/13-610-x/cannabis-eng.htm>
- <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=2010000801&pickMembers%5b0%5d=2.30&pickMembers%5b1%5d=3.1>
- <https://www.canada.ca/en/health-canada/services/drugs-medication/cannabis/licensed-producers/market-data/supply-demand.html>
- <https://www.cbc.ca/news/canada/new-brunswick/cannabis-packaging-excess-1.4870682>

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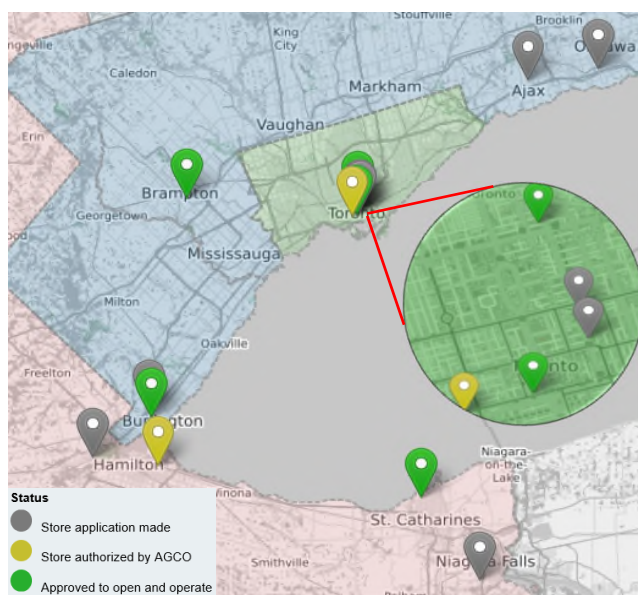
INDUSTRY OVERVIEW

NEWS

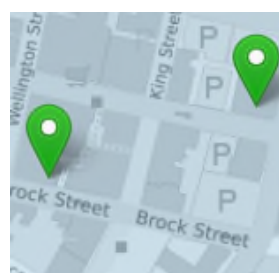
QUARTERLY HIGHLIGHTS

Allocating cannabis licenses to retailers so consumers can buy cannabis in stores as well as online was a responsibility that was assigned to the provinces. While each province has been rolling out this process uniquely, Ontario is significantly lagging behind other Canadian provinces in providing brick and mortar retail options to consumers. Quebec and Newfoundland had stores open just hours after legalization on October 17, 2018. As of January 2, 2019, Alberta had 65 licensed retailers operating, while Vancouver had its first two marijuana shops open on January 5, 2019. Meanwhile, Ontario, which is the only province without brick and mortar stores, decided to take a more patient approach after the change from the Wynn to the Ford government in 2018. Ford pivoted on the provincial approach to a private retail model and in accordance with that model, granted 25 licenses (pending thorough review and consultation) through a lottery system on January 11, 2019. Those granted licenses would be able to open up their shops on April 1, 2019. These licenses were awarded to entrepreneurial individuals, of which 5 are located in Eastern Ontario, 7 in the Western Ontario, 6 stores within the Greater Toronto Area (GTA), 5 stores in the city of Toronto, and 2 stores in Northern Ontario. When the Alcohol and Gaming Commission of Ontario granted these licenses they imposed strict regulations which included a \$12,500 fine for any businesses that did not open on April 1, which would rise to \$50,000 if the retail location was still not opened by April 30, 2019. Many retailers were not open for business on April 1, which will not only cost them \$12,500 in fines but also the opportunity cost of significant revenue. Retail cannabis stores in Quebec are making about \$900,000 per month and many are predicting Ontario will have similar or higher demand, especially in the densely populated GTA. According to CBC, Hamilton police, who have had an ongoing battle with illegal cannabis shops, said that they can sell up to \$80,000 of product per day. Police have confirmed they will be cracking down on illegal cannabis shops and those caught operating without a license will be permanently prohibited from receiving one. Additionally, retail cannabis stores are expected to be quite successful because cannabis consumers largely prefer purchasing cannabis in stores instantly than ordering online and having to wait for the product to arrive. This was demonstrated by the fact that during Q4 2018 in Quebec, 80% of legal cannabis sales occurred in store, while in New Brunswick and Nova Scotia, 95% of legal sales occurred in newly opened retail locations. Overall, it seems as though the individuals that were granted Ontario cannabis retail licenses, really did win the lottery. As at April 17, the Alcohol Gaming Commission of Ontario noted that 12 stores have been approved to open and operate, 3 stores have been authorized by the AGCO, and 9 stores have only submitted their application but the AGCO has not yet approved the premises.

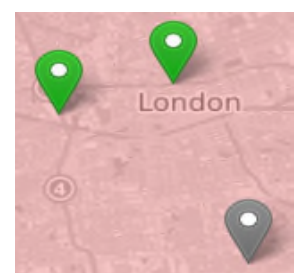
RETAIL CANNABIS STORES: GREATER TORONTO AREA



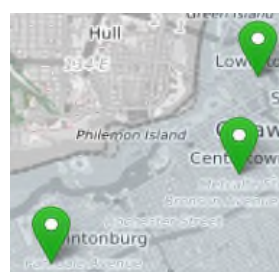
KINGSTON



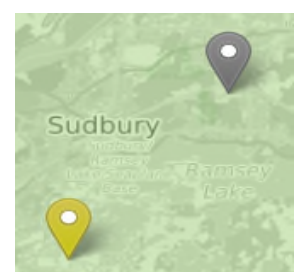
LONDON



OTTAWA



SUDBURY



Sources:

<https://www.cbc.ca/news/canada/hamilton/cannabis-stores-1.5074047>

<https://www.theglobeandmail.com/canada/british-columbia/article-alberta-experiences-cannabis-retail-boom-as-100-more-stores-to-roll/>

https://www.agco.ca/sites/default/files/map/ONT_CN_ST_E.html

SELECT RECENT M&A TRANSACTIONS



closed the acquisition of



Announced	Jan 7, 2019
Closed	Feb 12, 2019
TEV	C\$133 million

- Advanced Grow Labs is one of only four companies in Connecticut that is licensed to grow and process cannabis. The company operates a 41,000 sq. ft. manufacturing facility in West Haven, Connecticut with potential to expand. It also has a 46% ownership in a Westport dispensary.
- This transaction provides Green Thumb Industries with access to the Connecticut market, and in aggregate 12 manufacturing facilities and licenses for 85 retail locations across 11 states.
- The consideration included USD \$15 million in cash and \$7 million subordinate voting shares of Green Thumb Industries. The purchase agreement also includes consideration based on performance targets.



closed the acquisition of
WHISTLER MEDICAL MARIJUANA CORP.
from



Announced	Jan 14, 2019
Closed	Mar 4, 2019
TEV	C\$175 million

- Whistler Medical produces organic medical cannabis or marijuana for patients. It provides dried cannabis and cannabis oil. The company grows organic medical cannabis in soil without the use of chemicals. Whistler has achieved average selling prices in excess of 50%, which is greater than the average Canadian medical market.
- The transaction is expected to provide Aurora with a premium and differentiated organic certified product suite, expanding both its medical and adult-use offerings, and reinforcing Aurora's presence in the well-established West Coast cannabis market.
- The all-share transaction is valued at up to \$175 million, including certain milestone payments.



announced the acquisition of
PORTFOLIO OF INTERNATIONAL ASSETS
from



Announced	Jan 15, 2019
TEV	C\$145 million

- ICC International Cannabis Corp will acquire a 49.9% interest in an international portfolio of assets from Wayland for consideration of 300 million shares of ICC, valuing the assets at almost \$300 million.
- Upon the consummation of the proposed transaction, Wayland will sign a three-year supply agreement with ICC to supply 10,000 kg per year. Wayland's international business will be held in a subsidiary which will be jointly owned by Wayland and ICC, which will include key management from Wayland.
- This transformational event for Wayland's shareholders affords them the opportunity to unlock the value in the company's international portfolio and to gain exposure to ICC's international business, which includes a presence in Uruguay and Colombia.



closed the acquisition of
FRESH HEMP FOODS LTD.
from



Announced	Feb 20, 2019
Closed	Feb 28, 2019
TEV	C\$419 million

- Founded in 1998, Fresh Hemp Foods Ltd., produces and sells hemp food. The company offers hemp hearts, heart bites, heart bars, protein smoothies, protein powders, and oils.
- The acquisition will expand Tilray's product portfolio into the natural foods category and bring Fresh Hemp Foods expertise in working with cannabinoids. By leveraging Fresh Hemp's established distribution network, Tilray plans to accelerate its expansion into the U.S. and Canadian markets.
- Consideration for this deal included C\$277.5M (\$150 cash and \$127.5 shares) at closing, C\$92.5M (\$50 cash and \$42.5 shares) six months after closing, and C\$49.5M shares based on certain performance milestones being achieved in 2019.

SELECT RECENT M&A TRANSACTIONS

HARVEST

announced the acquisition of



Announced	Mar 11, 2019
Closed	Apr 22, 2019
TEV	C\$1,141 million

- Verano Holdings, LLC engages in cannabis cultivation. It develops and produces cannabis products which offer medicinal therapies. The company designs, builds, and operates Zen Leaf™ branded dispensary environments that provide customer service in medical and adult-use markets.
- The combined company will be the largest multi-state operator in the U.S., as measured by licenses held and facilities permitted.
- Upon completion, Harvest Health and Recreation Inc. will hold licenses that will allow it to operate up to 200 facilities in 16 states and territories across the country, including 123 retail dispensaries.
- The acquisition is anticipated to close in the first half of 2019.



announced the acquisition of



Announced	Mar 13, 2019
TEV	C\$167 million

- The transaction gives HEXO the capacity to produce ~150,000 kg of high-quality cannabis annually. The transaction also provides HEXO access to four cutting-edge production campuses totalling close to 1.8 million sq. ft. of near-term cultivation space and diversified growing and production techniques.
- Newstrike's shareholders will receive 0.06332 of a HEXO common share in exchange for each Newstrike common share held. Upon completion of the transaction, existing HEXO and Newstrike shareholders would own approximately 86% and 14% of the pro forma company, respectively, on a fully diluted basis.
- The combined entity is estimated to realize annual synergies of \$10 million.



announced the acquisition of the assets of



Announced	Mar 18, 2019
TEV	C\$160 million

- The purposed transaction provides Cresco Labs an entry into the Florida market via a Medical Marijuana Treatment Center license to grow, process, manufacture, distribute and dispense in up to 30 retail medical dispensaries in the state of Florida.
- VidaCann has a 70,000 sq. ft. cultivation and processing facility that is expected to double in size by the end of 2019, allowing Cresco Labs to grow and manufacture its full suite of products.
- The consideration is comprised of a mix of shares and cash, although the amounts were not disclosed.
- While this report focuses on the calendar quarter, this deal was only a precursor to the Cresco acquisition of Origin House announce in April 2019 for \$900 million.



announced the acquisition of



Announced	Mar 18, 2019
TEV	C\$93 million

- Acres Cannabis operates the state of Nevada's largest cultivation facility, a state-of-the-art production and extraction lab and an immersive cannabis dispensary located in the city of Las Vegas, with a second dispensary under construction.
- Additionally, Acres operates 227,000 sq. ft., of outdoor cultivation in Amargosa Valley, Nevada. The site is adding another 133,000 sq. ft. of capacity and estimates production of 100,000 pounds of fry flower per year at full scale.
- The consideration consists of CAD \$33 million to be paid in cash, CAD \$60 million to be paid in Curaleaf stock and additional consideration to be paid if certain financial targets are exceeded. The transaction is subject to customary closing conditions and expected to close in first half of 2019.

PUBLIC COMPARABLE ANALYSIS

TRADING MULTIPLES & OPERATING STATISTICS

(Figures In \$CAD Millions, except percentages and ratios)

Company	Market Cap.	Ent. Value	Cash	Operating Figures		Revenue			EBITDA			EV/EBITDA	
				Annual-ized Qrt. Rev.	Revenue Growth Y/Y	2018	2019	2020	2018	2019	2020	2019	2020
Integrated Licenced Producers													
Canopy Growth Corporation	19,873	20,665	4,116	332	264%	151	593	1,270	(147)	(143)	263	nmf	78.5x
Aurora Cannabis Inc.	12,067	12,414	47	217	237%	117	465	1,138	(89)	(20)	344	nmf	36.1x
Tilray, Inc.	8,476	9,062	665	85	110%	57	262	576	(30)	(55)	40	nmf	225.9x
Cronos Group Inc.	8,175	8,196	33	22	90%	21	67	231	(9)	(13)	86	nmf	95.6x
Aphria Inc.	3,119	3,196	108	292	611%	59	475	866	(3)	(18)	149	nmf	21.4x
HEXO Corp.	1,858	1,858	165	54	1032%	21	195	481	(31)	(2)	123	nmf	15.1x
OrganiGram Holdings Inc.	1,327	1,389	12	108	693%	23	152	245	8	56	94	24.6x	14.7x
The Green Organic Dutchman Holdings Ltd.	1,308	1,309	214	8	nmf	5	54	336	(36)	(17)	97	nmf	13.5x
CannTrust Holdings Inc.	1,094	1,108	9	65	106%	52	135	249	1	(11)	67	nmf	16.6x
TerrAscend Corp.	767	780	22	20	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Median			77		250%								24.6x 21.4x
Mean			539		393%								24.6x 57.5x
Canadian Licenced Producers													
Village Farms International, Inc.	893	945	16	212	39%	196	246	256	5	36	75	26.3x	12.6x
The Supreme Cannabis Company, Inc.	639	711	92	31	273%	19	91	159	(6)	25	47	28.0x	15.1x
Zenabis Global Inc.	629	648	-	14	nmf	n/a	167	337	n/a	13	80	50.7x	8.1x
Emerald Health Therapeutics, Inc.	577	580	36	4	160%	2	4	70	(27)	(19)	(16)	nmf	nmf
The Flowlr Corporation	551	553	28	10	nmf	2	24	94	(9)	(0)	29	nmf	19.1x
Aleafia Health Inc.	517	517	26	3	nmf	5	75	158	(6)	19	48	27.9x	10.9x
VIVO Cannabis Inc.	289	318	24	23	978%	13	47	99	(15)	(9)	19	nmf	16.7x
FSD Pharma Inc.	312	312	34	0	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
AgraFlora Organics International Inc.	306	307	1	-	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Newstrike Brands Ltd.	301	301	97	19	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Heritage Cannabis Holdings Corp.	270	270	1	-	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
WeedMD Inc.	225	225	21	11	138%	8	59	140	(6)	16	42	13.7x	5.4x
Wayland Group Corp.	174	190	14	1	nmf	12	n/a	89	n/a	n/a	n/a	n/a	n/a
48North Cannabis Corp.	176	178	12	10	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Harvest One Cannabis Inc.	173	173	41	15	nmf	10	40	141	(10)	(3)	38	nmf	4.5x
Sproutly Canada, Inc.	157	169	11	-	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Eve & Co Incorporated	139	143	5	-	nmf	n/a	15	77	n/a	(1)	23	nmf	6.2x
Delta 9 Cannabis Inc.	138	144	16	21	1487%	8	64	114	(7)	12	26	11.7x	5.6x
Rubicon Organics Inc.	111	114	0	0	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Invictus MD Strategies Corp.	101	108	24	7	156%	9	59	85	(19)	11	22	10.3x	5.0x
James E. Wagner Cultivation Corporation	87	87	3	2	nmf	5	32	n/a	(7)	1	n/a	67.0x	n/a
GTEC Holdings Ltd.	77	83	1	0	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
RavenQuest BioMed Inc.	66	81	1	1	nmf	12	52	106	(6)	11	23	7.3x	3.5x
Biome Grow Inc.	69	69	2	(0)	nmf	n/a	15	84	n/a	(4)	27	nmf	2.6x
Benchmark Botanics Inc.	51	51	0	-	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
THC Biomed Intl Ltd.	48	50	1	2	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
BlissCo Cannabis Corp.	48	49	2	-	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Beleave Inc.	41	49	2	3	nmf	2	36	n/a	(27)	(14)	n/a	nmf	n/a
Indiva Limited	41	46	20	0	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Viridium Pacific Group Ltd.	43	43	2	3	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pure Global Cannabis Inc.	31	43	8	-	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Canada House Wellness Group Inc.	31	32	3	5	49%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Median			10		158%								26.3x 6.2x
Mean			17		410%								27.0x 8.9x

Source: Capital IQ. Data as of March 31, 2019.

Estimates based on Capital IQ calendar year consensus.

Enterprise value based on market cap. plus total debt. No adjustment for cash due to infancy of the industry and large capex programs for most companies.

PUBLIC COMPARABLE ANALYSIS

TRADING MULTIPLES & OPERATING STATISTICS

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Company	Market Cap.	Ent. Value	Cash	Operating Figures		Revenue			EBITDA			EV/EBITDA	
				Annual-ized Qrt. Rev.	Rev. Growth Y/Y	2018	2019	2020	2018	2019	2020	2019	2020
US/Int'l Focused													
Curaleaf Holdings, Inc.	5,583	5,698	364	174	272%	126	484	885	(14)	170	363	33.5x	15.7x
Green Thumb Industries Inc.	4,100	4,108	199	113	101%	85	281	613	(2)	56	169	73.8x	24.3x
Harvest Health & Recreation Inc.	3,611	3,653	262	92	90%	59	320	765	8	56	302	64.8x	12.1x
Charlotte's Web Holdings, Inc.	2,455	2,456	100	117	73%	95	221	474	32	69	166	35.6x	14.8x
Pyxus International, Inc.	290	2,311	285	2,863	-14%	2,550	2,596	n/a	n/a	257	n/a	9.0x	n/a
Cresco Labs Inc.	2,116	2,116	179	93	179%	62	450	1,038	14	96	304	22.2x	7.0x
Trulieve Cannabis Corp.	1,972	2,001	33	196	97%	137	304	412	59	131	183	15.3x	11.0x
iAnthus Capital Holdings, Inc.	1,133	1,175	21	11	833%	5	245	427	(28)	63	94	18.7x	12.5x
PharmaCielo Ltd.	920	920	7	-	nmf	n/a	4	82	(11)	(21)	32	nmf	28.7x
Green Growth Brands Inc.	868	868	-	17	nmf	n/a	31	249	n/a	(17)	70	nmf	12.4x
MedMen Enterprises Inc.	653	794	107	163	338%	146	433	930	(130)	(55)	205	nmf	3.9x
Elixinol Global Limited	537	537	41	43	45%	38	55	95	3	3	18	158.2x	29.8x
Flower One Holdings Inc.	468	512	4	1	nmf	0	131	318	(4)	35	116	14.8x	4.4x
Liberty Health Sciences Inc.	305	316	19	13	473%	14	82	145	(12)	18	45	17.2x	7.0x
Planet 13 Holdings Inc.	278	279	26	45	142%	28	100	145	2	26	44	10.8x	6.4x
Sunniva Inc.	169	193	2	22	5%	17	88	129	(15)	11	31	16.8x	6.2x
1933 Industries Inc.	137	149	9	15	26%	16	29	n/a	(2)	6	n/a	27.1x	n/a
Vireo Health International Inc.	125	142	20	25	55%	25	107	246	1	10	67	14.1x	2.1x
Median					97%							18.7x	11.5x
Mean			93		181%							35.5x	12.4x

Technology, Data, Retail and Ancillary Markets

MariMed Inc.	998	1,018	6	19	75%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
KushCo Holdings, Inc.	699	701	24	185	249%	82	224	n/a	(10)	(24)	n/a	nmf	n/a
SLANG Worldwide Inc.	411	413	0	9	nmf	29	129	255	(6)	23	59	17.8x	7.0x
Westleaf Inc.	321	325	30	-	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
MJardin Group, Inc.	286	327	3	36	43%	37	105	148	3	50	77	6.5x	4.3x
TILT Holdings Inc.	290	290	0	-	nmf	11	619	1,120	(60)	200	431	1.4x	.7x
Alcanna Inc.	209	282	64	813	62%	628	739	830	14	2	27	157.5x	10.3x
Namaste Technologies Inc.	206	206	34	16	-30%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Fire & Flower Holdings Corp.	139	164	23	10	nmf	n/a	40	136	n/a	(25)	9	nmf	17.7x
National Access Cannabis Corp.	145	172	14	65	3496%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cannabix Technologies Inc.	146	146	11	-	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Choom Holdings Inc.	120	131	17	-	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
High Tide Inc.	97	108	7	20	86%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
MYM Nutraceuticals Inc.	67	67	2	-	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Inner Spirit Holdings Ltd.	55	55	2	8	106%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Alternate Health Corp.	33	37	4	(2)	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Lift & Co. Corp.	32	34	5	3	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Median			7		80%							12.2x	7.0x
Mean			14		511%							45.8x	8.0x

Extraction, Pharma, Food and Beverage Development

Khiron Life Sciences Corp.	360	363	15	4	nmf	0	12	81	(16)	(21)	24	nmf	15.2x
MediPharm Labs Corp.	352	358	8	41	nmf	10	116	201	(3)	26	58	13.9x	6.1x
Neptune Wellness Solutions Inc.	339	342	16	26	-7%	26	54	114	(1)	10	28	33.3x	12.1x
Radiant Technologies Inc.	271	278	38	-	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Valens GroWorks Corp.	271	271	0	9	nmf	0	45	144	(7)	18	72	14.8x	3.7x
Cannara Biotech Inc.	142	155	13	-	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Dixie Brands Inc.	150	151	25	9	91%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Lexaria Bioscience Corp.	116	116	4	0	nmf	1	1	n/a	(8)	(4)	n/a	nmf	n/a
Tetra Bio-Pharma Inc.	103	103	8	-	nmf	n/a	n/a	n/a	(2)	(11)	n/a	nmf	n/a
Median			13		42%							14.8x	9.1x
Mean			14		42%							20.7x	9.3x

Source: Capital IQ. Data as of March 31, 2019.

Estimates based on Capital IQ calendar year consensus.

Enterprise value based on market cap. plus total debt. No adjustment for cash due to infancy of the industry and large capex programs for most companies.

PUBLIC COMPARABLE ANALYSIS

TRADING MULTIPLES & OPERATING STATISTICS

(Figures In \$CAD Millions, except percentages and ratios)

Company	Market Cap.	Ent. Value	Cash	Operating Figures		Revenue			EBITDA			EV/EBITDA	
				Annual-ized Qrt. Rev.	Rev. Growth Y/Y	2018	2019	2020	2018	2019	2020	2019	2020
Branded Products													
Plus Products Inc.	141	141	31	18	189%	11	27	100	(8)	(7)	9	nmf	15.4x
Wildflower Brands Inc.	45	54	0	6	54%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Weekend Unlimited Inc.	49	49	5	-	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
DionyMed Brands Inc.	42	47	0	37	nmf	14	188	333	(12)	19	65	2.5x	.7x
International Cannabrands Inc.	29	30	1	(0)	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
CannAmerica Brands Corp.	15	20	-	1	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Median			1		121%							2.5x	8.1x
Mean			6		121%							2.5x	8.1x

(Figures In \$CAD Millions, except percentages and ratios)

Company	Market Cap.	Ent. Value	Cash	Operating Figures		Revenue			EBITDA			EV/EBITDA	
				Annual-ized Qrt. Rev.	Rev. Growth Y/Y	2018	2019	2020	2018	2019	2020	2019	2020
Investment Companies													
Acreage Holdings, Inc.	2,276	2,297	143	57	330%	21	333	704	(17)	77	220	30.0x	10.4x
Origin House	790	806	69	32	1130%	28	80	290	(8)	24	63	34.2x	12.8x
Canopy Rivers Inc.	628	628	47	-	nmf	n/a	26	n/a	n/a	1	3	nmf	185.5x
Auxly Cannabis Group Inc.	521	616	212	3	nmf	4	165	569	(25)	35	204	17.5x	3.0x
Cannex Capital Holdings Inc.	320	329	15	13	108%	n/a	325	568	n/a	53	143	6.2x	2.3x
SOL Global Investments Corp.	169	169	30	-	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
C21 Investments Inc.	154	159	9	2	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Australis Capital Inc.	138	139	6	1	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Captor Capital Corp.	77	80	15	-	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Nabis Holdings	68	68	2	-	nmf	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Median			23		330%							23.8x	10.4x
Mean			55		523%							22.0x	42.8x

Source: Capital IQ. Data as of March 31, 2019.

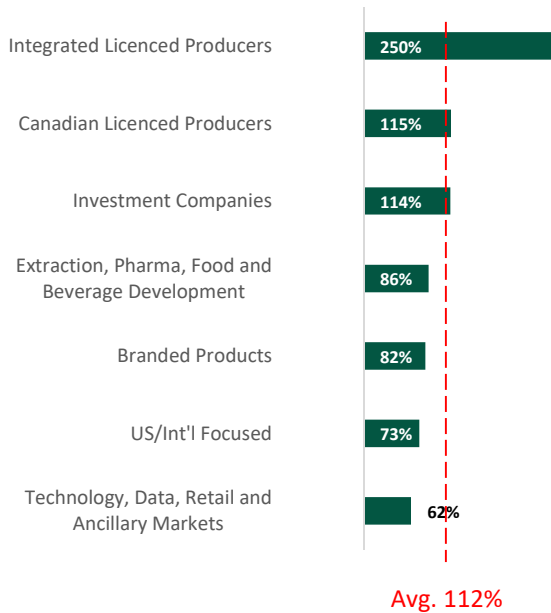
Estimates based on Capital IQ calendar year consensus.

Enterprise value based on market cap. plus total debt. No adjustment for cash due to infancy of the industry and large capex programs for most companies.

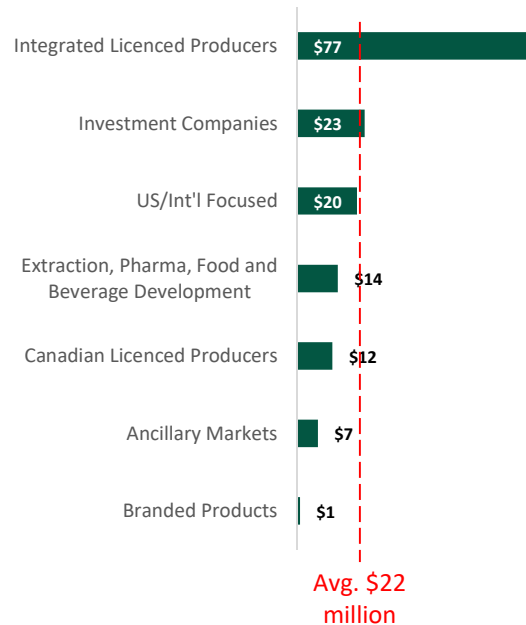
PUBLIC COMPARABLE ANALYSIS

GROWTH, CASH & MULTIPLES

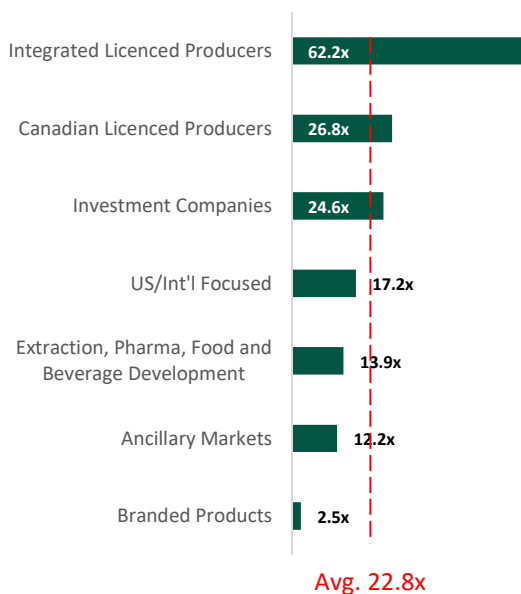
Median LTM Revenue Growth (y/y)



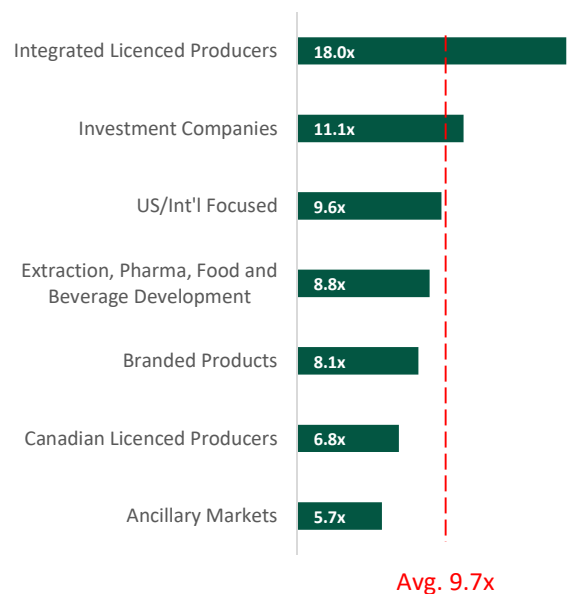
Median Cash



Median 2019 EV/EBITDA Multiple



Median 2020 EV/EBITDA Multiple



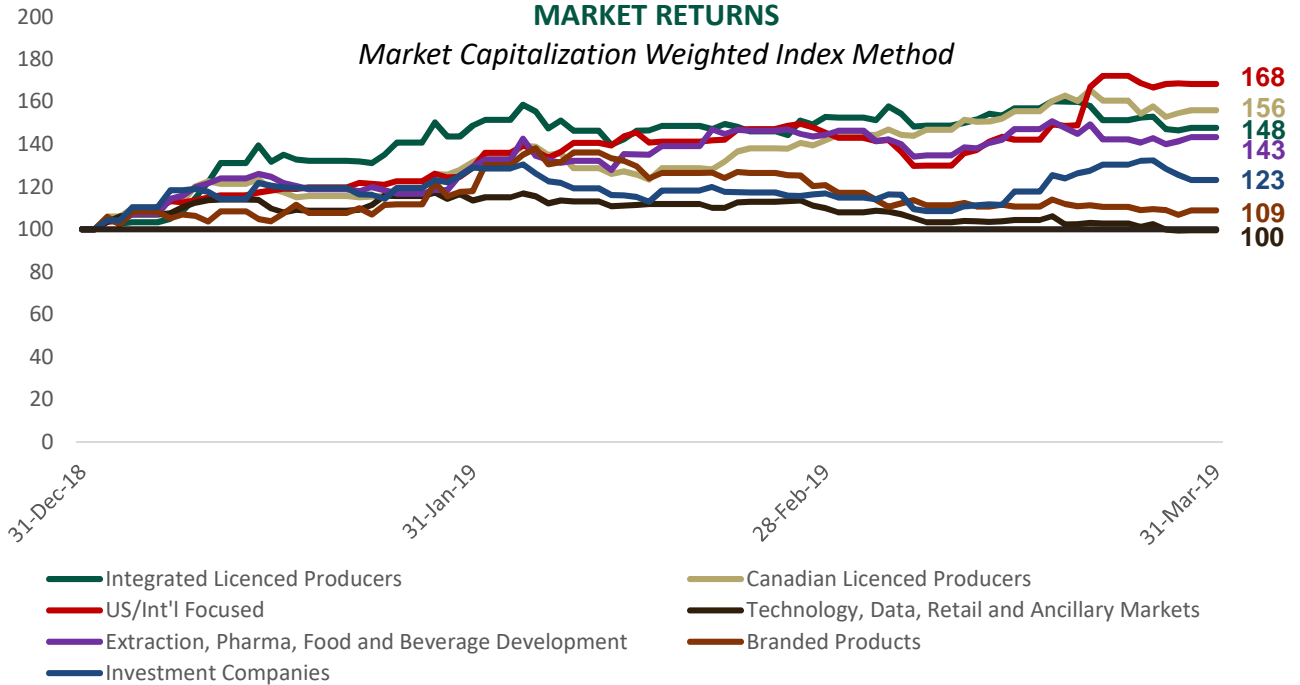
Source: Capital IQ. Data as of March 31, 2019.
Valuation details provided on page 7 to 9.
* "LTM" refers to last twelve months.

PUBLIC COMPARABLE ANALYSIS

PERFORMANCE ANALYSIS

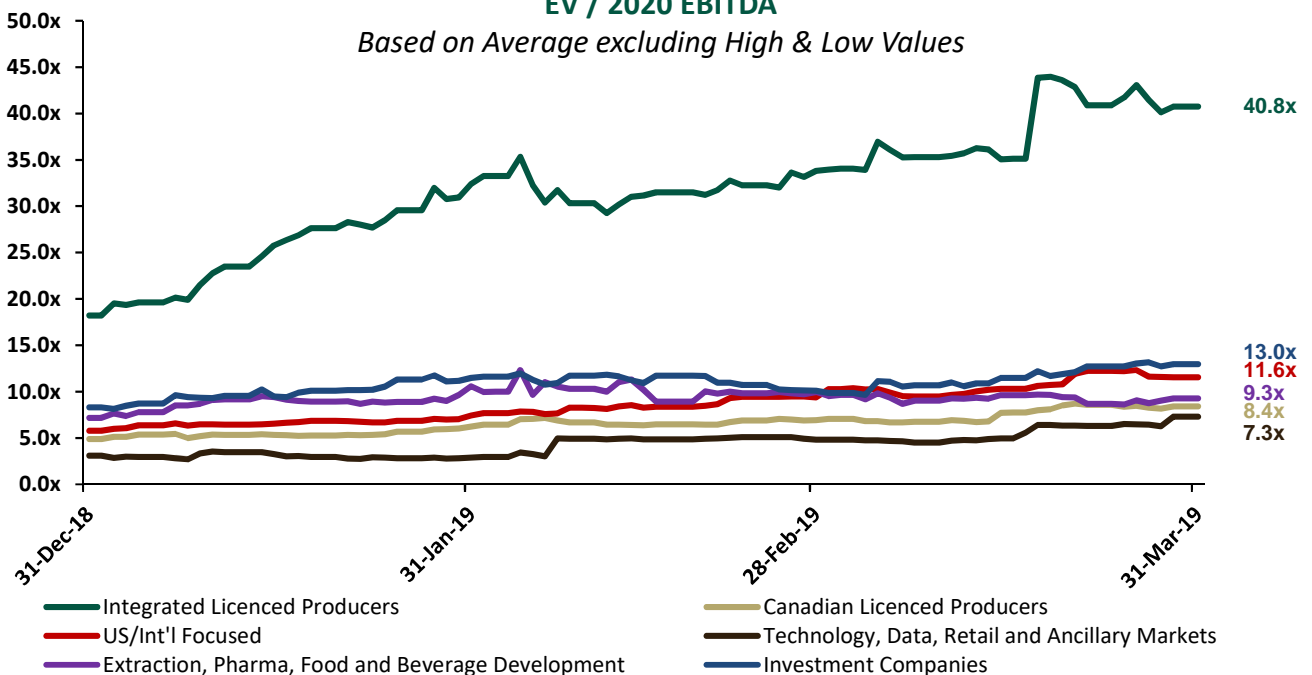
MARKET RETURNS

Market Capitalization Weighted Index Method



EV / 2020 EBITDA

Based on Average excluding High & Low Values



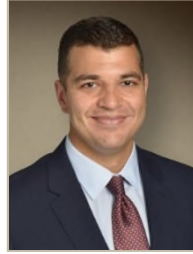
Source: Capital IQ. Data as of March 31, 2019.

Constituent companies are the same as those provided on page 7 to 9. Branded Products category excluded from EV/EBITDA multiples due to insufficient data.

TRANSACTION LEADERSHIP



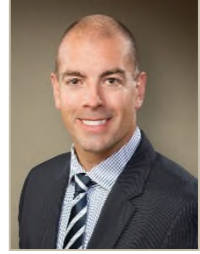
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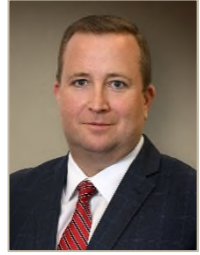
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DUE DILIGENCE LEADERSHIP



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MNPCF – RECENTLY CLOSED DEALS

NATIONAL

E.B. Horsman & Son
The Government (Purchasers of Goods)

has acquired

Mack
Measurement & Control Ltd.

MNP Corporate Finance Inc. was the exclusive financial advisor to E.B. Horsman & Son Ltd. in structuring and negotiating this transaction.

DIVESTITURES > FINANCING > DUE DILIGENCE

Scotiabank

has provided debt financing to

Yardstick

MNP Corporate Finance Inc. provided financial due diligence services to Yardstick Software Inc.

DIVESTITURES > FINANCING > DUE DILIGENCE

The Civil Construction division of
Jack Cowe Ltd.
ESTABLISHED 1955

has merged with

Lehigh Hanson
HEIDELBERGCEMENT Group

MNP Corporate Finance Inc. was the exclusive financial advisor to Jack Cowe Ltd. in structuring and negotiating this transaction.

DIVESTITURES > FINANCING > DUE DILIGENCE

ptm
CAPITAL INC.

has invested in

TAM International LP

MNP Corporate Finance Inc. provided financial due diligence services to PTM Capital Inc.

DIVESTITURES > FINANCING > DUE DILIGENCE

Nice

has acquired

micanan

MNP Corporate Finance Inc. acted as exclusive financial advisor to Micanan Systems Inc. in structuring and negotiating this transaction.

DIVESTITURES > FINANCING > DUE DILIGENCE

Bonnefield
FARMLAND Ltd. FARMING

has acquired land from a

Confidential Seller

MNP Corporate Finance Inc. acted as exclusive financial advisor to a Confidential Seller in structuring and negotiating this transaction.

DIVESTITURES > FINANCING > DUE DILIGENCE

EQUICAPITA

has acquired

Shaw Group
OF REAL ESTATE INVESTMENT

MNP Corporate Finance Inc. provided financial due diligence services to Equicapita Investment Corp.

DIVESTITURES > FINANCING > DUE DILIGENCE

has acquired

Hall-Chem

MNP Corporate Finance Inc. acted as exclusive financial advisor to Hall-Chem Manufacturing Inc. in structuring and negotiating this transaction.

DIVESTITURES > FINANCING > DUE DILIGENCE

PAPP INTERNATIONAL

has raised the necessary debt financing to complete the acquisition of

Imagine Publications

MNP Corporate Finance Inc. acted as exclusive financial advisor in arranging the debt raise.

DIVESTITURES > FINANCING > DUE DILIGENCE

EQUICAPITA

has acquired

EQUICAPITA

MNP Corporate Finance Inc. acted as exclusive financial advisor to Equicapita Investment Corp. in structuring and negotiating this transaction.

DIVESTITURES > FINANCING > DUE DILIGENCE

CHRYSALIS
SPECIALTY SOLUTIONS

has acquired

Sun Valley

MNP Corporate Finance Inc. was the exclusive financial advisor to Phosphate Imports Inc. (open range feed stores and feeder farms) in structuring and negotiating this transaction.

DIVESTITURES > FINANCING > DUE DILIGENCE

telecon

has acquired

CAM-TEL
LINE LOGGING

MNP Corporate Finance Inc. acted as exclusive financial advisor to Cam-Tel Line Logging in structuring and negotiating this transaction.

DIVESTITURES > FINANCING > DUE DILIGENCE

Rubicon PHARMACIES

has acquired

MY PHARMACY
We Care For You

MNP Corporate Finance Inc. acted as exclusive financial advisor to My Pharmacy Ltd. in structuring and negotiating this transaction.

DIVESTITURES > FINANCING > DUE DILIGENCE

CBGF
CANADIAN BUSINESS GROWTH FUND

has provided growth capital to

LIFT AUTO

MNP Corporate Finance Inc. provided financial due diligence services to Canadian Business Growth Fund.

DIVESTITURES > FINANCING > DUE DILIGENCE

MINTOSH PERRY

has acquired

ONSTREAM
Engineering Ltd.

MNP Corporate Finance Inc. acted as exclusive financial advisor to Onstream Engineering Ltd. in structuring and negotiating this transaction.

DIVESTITURES > FINANCING > DUE DILIGENCE

CAI
CAPITAL PARTNERS

has acquired

ANSIM TRAFFIC GROUP

MNP Corporate Finance Inc. provided financial and tax due diligence services to CAI Capital Partners.

DIVESTITURES > FINANCING > DUE DILIGENCE

Redhead
EQUIPMENT

has acquired

Norsask
EQUIPMENT LTD.

MNP Corporate Finance Inc. acted as exclusive financial advisor to Norsask Farm Equipment Ltd. in structuring and negotiating this transaction.

DIVESTITURES > FINANCING > DUE DILIGENCE

Jim Pattison
autogroup

has acquired

CANYON CREEK TOYOTA

MNP Corporate Finance Inc. acted as exclusive financial advisor to Canyon Creek Toyota in structuring and negotiating this transaction.

DIVESTITURES > FINANCING > DUE DILIGENCE

SANGOMA TECHNOLOGIES

has acquired

digium

MNP Corporate Finance Inc. provided financial due diligence services to Sangoma Technologies Corporation.

DIVESTITURES > FINANCING > TRANSACTION ADVISORS

CO-OP

has acquired

Westview

Tri West

MNP Corporate Finance Inc. acted as exclusive financial advisor to Westview Ltd. in structuring and negotiating this transaction.

DIVESTITURES > FINANCING > TRANSACTION ADVISORS

taiga
building products

has acquired

EXTERIOR WOOD, INC.

MNP Corporate Finance Inc. was the exclusive financial advisor to Taiga Building Products Ltd. in structuring and negotiating this transaction.

DIVESTITURES > FINANCING > TRANSACTION ADVISORS

Westcap

has acquired

MDT

MNP Corporate Finance Inc. was the exclusive financial advisor to MDT Technologies Corp. in structuring and negotiating this transaction.

DIVESTITURES > FINANCING > TRANSACTION ADVISORS

has entered into a strategic partnership with a family sponsored food and beverage venture.

MNP Corporate Finance Inc. acted as exclusive financial advisor to Processor Drive Technologies Inc. in structuring and negotiating this transaction.

DIVESTITURES > FINANCING > TRANSACTION ADVISORS

Wright Spud Farms Inc.

has acquired the shares of

Fiskel Farms Transport Ltd.

MNP Corporate Finance Inc. acted as exclusive financial advisor to Fiskel Farms Transport Ltd. in structuring and negotiating this transaction.

DIVESTITURES > FINANCING > TRANSACTION ADVISORS

WM
WASTE MANAGEMENT

has acquired

BRESKO

MNP Corporate Finance Inc. was the exclusive financial advisor to Breco Industries Ltd. in structuring and negotiating this transaction.

DIVESTITURES > FINANCING > TRANSACTION ADVISORS