

Plant-Touching Cannabis

INDUSTRY SUMMARY

COGENT VALUATION identified **Plant-Touching Cannabis** publicly traded companies, IPOs, and recent M&A transactions within the Plant-Touching Cannabis Companies industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Over the last year since September 30, 2016, the median 52-week share price return of the Plant-Touching Cannabis Companies was 43.2%. As this industry is new and many companies trade through over-the-counter markets, information to calculate valuation multiples was unavailable for most companies.

Public Company Key Statistics

Median 52-Week
Return

43.2%

Median Year-to-Date
Return

-18.6%

Median Price/Revenue
Multiple

6.5x

Median Price//Gross
Profit Multiple

11.3x

Median Price/Earnings
Multiple

55.2x

Comparable Public Company Market Metrics as of September 30, 2017

	YTD	3 Month	1 Year	2 Year	Revenues	Gross Profit	Net Income	GP Margin	NI Margin	P/Rev.	P/GP
Abattis Bioceticals Corp.	41.2%	40.7%	212.0%	99.7%	(\$0.0)	(\$0.0)	(\$3,605.1)	100.0%	9012650.0%	(514053x)	(514053x)
Acacia Diversified Holdings, Inc.	(64.7%)	(53.9%)	(72.1%)	202.0%	\$366.3	\$146.8	(\$2,424.1)	40.1%	(661.8%)	23.8x	59.4x
Advantis Corp.	127.1%	(40.0%)	73.5%	70.0%	\$0.0	\$0.0	(\$294.9)	N/A	N/A	N/A	N/A
Alliance Growers Corp.	(24.8%)	(0.7%)	37.8%	N/A	\$0.0	\$0.0	(\$949.3)	N/A	N/A	N/A	N/A
Aphria Inc.	51.8%	38.4%	118.0%	188.0%	\$15,130.7	\$13,535.0	\$3,108.1	89.5%	20.5%	39.3x	43.9x
Canada House Wellness Group Inc.	(30.1%)	9.6%	N/A	N/A	\$5,036.9	\$2,697.3	(\$16,045.4)	53.6%	(318.6%)	3.7x	6.9x
Canadian Cannabis Corp.	(84.5%)	(54.6%)	(84.9%)	(78.7%)	\$319.5	\$319.5	(\$15,686.5)	100.0%	(4910.2%)	7.7x	7.7x
Canamed4Pets, Inc.	100.0%	0.0%	100.0%	(18.4%)	\$0.0	\$0.0	(\$1,931.1)	N/A	N/A	N/A	N/A
Cann Group Limited	N/A	94.6%	N/A	N/A	\$6.5	\$6.5	(\$1,986.4)	100.0%	(30748.9%)	7562.2x	7562.2x
Cannabics Pharmaceuticals Inc.	38.3%	(2.2%)	1909.3%	386.4%	\$52.8	\$52.8	(\$899.3)	100.0%	(1702.8%)	1984.4x	1984.4x
Cannabis Sativa, Inc.	(44.8%)	(31.7%)	1.0%	16.4%	\$14.7	(\$9.3)	(\$6,681.2)	(63.4%)	(45511.9%)	3808.7x	(6012.0x)
Cannabis Science, Inc.	(35.4%)	(15.8%)	162.3%	29.6%	\$7.5	\$3.6	(\$11,805.7)	47.6%	(158253.8%)	13200.6x	27739.9x
Cannalink, Inc.	0.0%	(9.1%)	(16.7%)	(33.3%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CannaRoyalty Corp.	(18.6%)	10.6%	N/A	N/A	\$478.2	\$244.6	(\$8,513.2)	51.1%	(1780.4%)	93.0x	181.9x
CanniMed Therapeutics Inc.	(3.5%)	22.1%	N/A	N/A	\$12,023.0	\$7,560.5	(\$22,688.6)	62.9%	(188.7%)	5.3x	8.4x
Cannpal Animal Therapeutics Limited	N/A	N/A	N/A	N/A	\$0.0	\$0.0	N/A	N/A	N/A	N/A	N/A

Multiple year periods are calculated as the average annual return.

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■ Highest
 ■ Lowest
 ■ Median

Comparable Public Company Market Metrics as of September 30, 2017

(Continued from previous page)

	YTD	3 Month	1 Year	2 Year	Revenues	Gross Profit	Net Income	GP Margin	NI Margin	P/Rev.	P/GP
Canopy Growth Corporation	N/A	N/A	N/A	N/A	\$0.0	\$0.0	\$0.0	N/A	N/A	N/A	N/A
Creso Pharma Limited	26.0%	39.9%	178.6%	166.3%	\$37,536.3	\$41,458.9	(\$13,066.6)	110.5%	(34.8%)	30.6x	27.7x
CTT Pharmaceutical Holdings, Inc.	137.8%	(6.0%)	N/A	N/A	\$13.6	(\$28.3)	(\$5,848.0)	(208.7%)	(43159.0%)	1708.0x	(818.4x)
Easton Pharmaceuticals Inc.	69.0%	(32.4%)	160.0%	(51.4%)	\$0.0	\$0.0	(\$1,670.2)	N/A	N/A	N/A	N/A
Emerald Health Therapeutics	(10.7%)	37.2%	1,081%	108.2%	\$0.0	\$0.0	(\$526.8)	N/A	N/A	N/A	N/A
eSense-Lab Ltd.	6.6%	15.6%	61.3%	185.2%	\$477.2	(\$230.7)	(\$3,666.5)	(48.3%)	(768%)	154.9x	(320.4x)
Gala Global Inc.	N/A	(3.2%)	N/A	N/A	\$0.0	\$0.0	(\$4,874.7)	N/A	N/A	N/A	N/A
Modern Mobility Aids, Inc.	(27.0%)	120.5%	55.2%	(38.3%)	\$0.0	\$0.0	(\$478.7)	N/A	N/A	N/A	N/A
GB Sciences, Inc.	(20.4%)	(5.6%)	(16.1%)	(15.0%)	\$54.1	\$54.1	(\$11,651.3)	100.0%	(21536.7%)	478.4x	478.4x
Golden Leaf Holdings Ltd.	(41.1%)	(32.2%)	(53.9%)	N/A	\$7,235.0	(\$13.4)	(\$23,877.6)	(0.2%)	(330.0%)	2.3x	(1239.1x)
Green and Hill Industries, Inc	233.3%	900.0%	900.0%	(74.2%)	\$0.1	\$0.1	(\$355.7)	100.0%	(273576%)	962.5x	962.5x
Green Cures & Botanical Distribution Inc.	(48.3%)	34.5%	20.7%	(70.4%)	\$1,237.0	\$989.6	\$6,141.0	80.0%	496.4%	0.0x	0.0x
Grow Solutions Holdings, Inc.	(77.8%)	0.0%	(80.0%)	(77.6%)	\$6,780.6	\$1,250.8	(\$4,674.1)	18.4%	(68.9%)	0.3x	1.9x
InMed Pharmaceuticals Inc.	114.1%	62.9%	420.9%	84.3%	\$0.0	\$0.0	(\$2,328.4)	N/A	N/A	N/A	N/A
Innovative Industrial Properties, Inc.	2.8%	11.6%	N/A	N/A	\$457.7	\$308.6	(\$7,529.1)	67.4%	(1645.0%)	39.3x	58.3x
Kaneh Bosm BioTechnology Inc.	15.2%	4.0%	43.2%	N/A	\$0.0	(\$26.3)	(\$597.7)	N/A	N/A	N/A	(28.5x)
Kaya Holdings, Inc.	(47.7%)	(5.4%)	97.2%	15.5%	\$808.9	\$399.9	(\$17,065.2)	49.4%	(2109.8%)	20.2x	40.8x

■ Highest

■ Lowest

■ Median

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Comparable Public Company Market Metrics as of September 30, 2017

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	YTD	3 Month	1 Year	2 Year	Revenues	Gross Profit	Net Income	GP Margin	NI Margin	P/Rev.	P/GP
Lifestyle Delivery Systems Inc	(30.8%)	(34.0%)	(27.3%)	181.8%	\$655.8	\$203.0	(\$2,811.5)	30.9%	(428.7%)	22.8x	73.8x
Lotus Ventures Inc.	14.0%	(19.3%)	36.5%	N/A	\$0.0	(\$4.1)	(\$510.1)	N/A	N/A	N/A	(1760.6x)
Mansfield-Martin Exploration Mining	(65.7%)	(33.3%)	(13.0%)	(47.8%)	\$0.0	\$0.0	(\$414.6)	N/A	N/A	N/A	N/A
Maple Leaf Green World Inc.	(23.2%)	50.9%	15.3%	300.9%	\$337.2	\$135.0	(\$813.4)	40.0%	(241.2%)	125.8x	314.0x
Marapharm Ventures Inc.	(35.0%)	(23.8%)	13.2%	67.0%	\$332.8	\$338.2	(\$9,449.3)	101.6%	(2839.3%)	140.4x	138.2x
Marijuana Company of America	(58.6%)	63.4%	458.3%	389.2%	\$25.8	\$10.8	(\$23,173.8)	41.9%	(89995.4%)	2108.9x	5037.5x
Medical Marijuana, Inc.	(58.0%)	(20.1%)	55.1%	73.6%	\$8,003.9	\$4,637.9	(\$25,908.2)	57.9%	(323.7%)	32.9x	56.8x
MediJane Holdings Inc.	64.8%	21.2%	(47.2%)	(58.6%)	\$41.0	\$17.0	(\$11,761.2)	41.5%	(28664.8%)	1.4x	3.4x
MedReleaf Corp.	N/A	11.4%	N/A	N/A	\$32,313.3	\$31,772.4	\$6,211.7	98.3%	19.2%	18.4x	18.8x
MGC Pharmaceuticals Limited	0.9%	(11.1%)	(2.5%)	57.5%	\$92.3	(\$29.0)	(\$6,250.0)	(31.5%)	(6773.6%)	328.6x	(1044.6x)
MMJ PhytoTech Limited	62.7%	3.8%	37.9%	13.7%	\$58.3	(\$74.4)	(\$8,064.6)	(127.6%)	(13828.2%)	842.0x	(659.7x)
MYM Nutraceuticals Inc.	974.6%	0.3%	1824.9%	N/A	\$105.5	\$46.8	(\$626.8)	44.3%	(593.9%)	238.9x	539.0x
Neutra Corp.	(77.7%)	(12.7%)	(85.3%)	(76.7%)	\$0.0	\$0.0	(\$883.8)	N/A	N/A	N/A	N/A

■ Highest

■ Lowest

■ Median

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Comparable Public Company Market Metrics as of September 30, 2017

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	YTD	3 Month	1 Year	2 Year	Revenues	Gross Profit	Net Income	GP Margin	NI Margin	P/Rev.	P/GP
Next Generation Management	(47.1%)	(18.2%)	28.6%	(42.3%)	\$52.8	\$52.8	(\$5,377.0)	100.0%	(10189.5%)	3.4x	3.4x
Nutritional High International Inc.	(57.0%)	(5.0%)	71.0%	63.5%	N/A	N/A	N/A	N/A	N/A	N/A	4.3x
Rocky Mountain High Brands	(32.3%)	(58.7%)	(0.7%)	(43.1%)	\$0.3	\$0.2	\$0.3	(74.2%)	245.2%	3.1x	(0.0x)
Terra Tech Corp.	(30.7%)	17.2%	(41.1%)	48.3%	(\$0.2)	(\$0.1)	N/A	(71.9%)	87.4%	(0.6x)	2.4x
Tetra Bio-Pharma Inc.	164.0%	(23.3%)	535.2%	866.5%	N/A	N/A	N/A	N/A	N/A	(0.2x)	3.4x
Tianjin Guifaxiang 18th Street Mahua Food Co., Ltd.	(33.1%)	(5.7%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
True Leaf Medicine International	275.7%	91.8%	289.4%	126.7%	N/A	N/A	N/A	N/A	N/A	N/A	0.9x
United Cannabis Corporation	(45.2%)	1.2%	109.8%	63.9%	(\$0.0)	N/A	N/A	N/A	103.1%	(0.7x)	6.5x
Median of Industry Public Companies	(18.6%)	(0.4%)	43.2%	52.9%	\$41.0	\$1.9	(\$2,811.5)	50.9%	(734.5%)	30.6x	6.9x

■ Highest

■ Lowest

■ Median

Median Public Companies

The chart below illustrates Public Company Multiples.

	9/30/17	6/30/17	3/31/17	12/31/16	9/30/16	6/30/16	3/31/16	Average
EV/Revenues Multiple	6.5x	4.8x	4.3x	8.5x	7.2x	11.5x	7.1x	7.13x
EV/Gross Cash Flows Multiple	11.3x	17.1x	18.6x	27.8x	19.8x	9.2x	34.8x	19.8x
Price/Earnings Multiple	55.2x	62.6x	N/A	N/A	N/A	N/A	N/A	58.9x

■ Highest Multiple
 ■ Lowest Multiple
 ■ Median Multiple

Industry Initial Public Offerings—Industry: Plant-Touching Cannabis (dollars in millions, except share prices)

Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
10/23/17	Cannpal Animal Therapeutics Limited	\$0.16	30.00	\$4.68	\$0.60	\$0.00	\$0.00	\$0.00	(\$1.20)	\$0.00
5/30/17	MedReleaf Corp.	\$7.05	0.53	\$74.77	\$52.21	\$6.78	\$27.43	\$11.57	\$7.24	\$12.55
5/3/17	Cann Group Limited	\$0.22	45.00	\$10.06	\$1.39	\$0.00	\$0.00	(\$1.06)	(\$1.09)	(\$1.03)
2/10/17	eSense-Lab Ltd.	\$0.15	17.50	\$2.69	N/A	N/A	N/A	N/A	N/A	N/A
12/28/16	CanniMed Therapeutics Inc.	\$8.85	5.00	\$44.25	\$62.40	\$24.56	\$15.47	\$1.00	(\$2.22)	\$3.79
11/30/16	Innovative Industrial Properties, Inc.	\$20.00	3.35	\$67.00	N/A	N/A	N/A	\$5.63	\$4.99	\$5.63
11/17/16	Tianjin Guifaxiang 18th Street Mahua Food Co., Ltd.	\$2.41	32.00	\$77.21	\$97.55	\$14.99	\$68.61	\$17.82	\$13.87	\$18.20
10/18/16	Creso Pharma Limited	\$0.15	25.00	\$3.83	\$0.12	\$0.04	\$0.09	(\$0.02)	(\$0.02)	(\$0.02)
10/4/16	CannaRoyalty Corp.	\$1.52	2.50	\$3.80	N/A	N/A	N/A	N/A	N/A	N/A
3/13/15	Nutritional High International Inc.	\$0.04	32.90	\$1.29	\$0.64	\$0.00	\$0.00	\$0.00	(\$2.50)	\$0.00
1/20/15	MMJ PhytoTech Limited	\$0.16	29.66	\$4.85	N/A	N/A	N/A	N/A	N/A	N/A
7/7/14	Searchtech Ventures Inc.	\$0.09	6.85	\$0.64	\$0.22	\$0.00	\$0.00	\$0.00	(\$0.02)	\$0.00
8/15/11	Lifestyle Delivery Systems Inc	\$0.20	3.00	\$0.61	\$0.42	\$0.00	\$0.00	\$0.00	(\$0.02)	\$0.00
9/16/10	MediJane Holdings Inc.	\$0.01	3.30	\$0.03	\$0.01	\$0.00	\$0.00	\$0.00	(\$0.01)	\$0.00
Median of all IPOs		nm	nm	\$4.26	\$0.62	\$0.00	\$0.00	\$0.00	(\$0.02)	\$0.00

Multiple year periods are calculated as the average annual return.

■ Highest
 ■ Lowest
 ■ Median

Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	LTM EBITDA	EV/ Revenues	EV/ EBITDA
11/2/17	Medical Marijuana Group Corporation	Golden Leaf Holdings Ltd.	\$11.23	100%	N/A	N/A	N/A	N/A
10/31/17	RockGarden Medicinals Inc.	Cannabis Wheaton Corp.	\$21.32	100%	N/A	N/A	N/A	N/A
9/14/17	Starseed Medicinal Inc.	Cannabis Care Canada Inc.	\$5.30	100%	N/A	N/A	N/A	N/A
9/13/17	Tech Center Drive Management LLC	Medifarm So Cal, Inc.	\$7.00	100%	N/A	N/A	N/A	N/A
8/30/17	Coachellagro Corp.	High Hampton Holdings Corp.	\$3.00	100%	N/A	N/A	N/A	N/A
8/28/17	Spot Therapeutics Inc.	Canopy Growth Corporation	\$1.80	100%	N/A	N/A	N/A	N/A
7/27/17	PrestoCorp, Inc.	Cannabis Sativa, Inc.	\$3.53	100%	N/A	N/A	N/A	N/A
7/14/17	Prana Therapeutics, Inc.	United Cannabis Corporation	\$6.40	95%	\$0.01	N/A	N/A	N/A
7/13/17	PAO Group, Inc.	New Wave Holdings, Inc.	\$251.00	100%	N/A	N/A	N/A	N/A
7/10/17	Chalice Farms, LLC	Golden Leaf Holdings Ltd.	\$37.00	100%	N/A	N/A	N/A	N/A
6/16/17	91% of Alternate Medicine Asc.	Quikflo Health Inc.	\$5.26	100%	N/A	N/A	N/A	N/A
6/15/17	IMT, LLC	CGX Life Sciences Inc.	\$5.10	51%	N/A	N/A	N/A	N/A
6/12/17	Pot-O-Coffee	Isodiol International Inc.	\$2.21	100%	N/A	N/A	N/A	N/A
6/1/17	Trauma Healing Centers Incorporated	OrganiGram Holdings Inc.	\$1.67	100%	N/A	N/A	N/A	N/A
5/26/17	Pedanos GmbH	Aurora Cannabis Inc.	\$17.64	100%	N/A	N/A	N/A	N/A
5/3/17	CannMart Inc.	Namaste Technologies Inc.	\$2.61	100%	N/A	N/A	N/A	N/A
5/2/17	rTrees Producers Limited Inc.	Canopy Growth Corporation	\$27.79	100%	N/A	N/A	N/A	N/A
4/26/17	Acreage Pharms Ltd.	Invictus MD Strategies Corp.	\$32.31	100%	N/A	N/A	N/A	N/A
4/6/17	Supra THC Services Inc.	Valens Groworks Corp.	\$2.92	100%	N/A	N/A	N/A	N/A

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■ USA
 ■ International

Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

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Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	LTM EBITDA	EV/ Revenues	EV/ EBITDA
4/4/17	Peloton Pharmaceuticals Inc.	Aurora Cannabis Inc.	\$5.22	100%	N/A	N/A	N/A	N/A
3/16/17	JuJu Joints	Golden Leaf Holdings Ltd.	\$4.5	100%	N/A	N/A	N/A	N/A
3/14/17	PerkAZ Property LLC	The Canadian Bioceutical Corp.	\$3.86	100%	N/A	N/A	N/A	N/A
2/7/17	Country Junction Farms, Inc.	Kleangas Energy Technologies, Inc. (nka:CaliPharms, Inc.)	\$1.75	51%	N/A	N/A	N/A	N/A
1/31/17	Mettrum Health Corp.	Canopy Growth Corporation	\$321.91	100%	\$10.28	(\$3.29)	29.6x	N/A
1/16/17	Tweed, Inc.	Canopy Growth Corporation	\$5.20	100%	N/A	N/A	N/A	N/A
1/10/17	2344823 Ontario Inc.	Mettrum Health Corp.	\$10.79	100%	N/A	N/A	N/A	N/A
1/9/17	True Leaf Pet, Inc.	OregaPet	\$0.27	100%	N/A	N/A	N/A	N/A
1/9/17	OregaPet	True Leaf Pet Inc.	\$0.35	100%	\$0.14	N/A	2.4x	N/A
11/16/16	Apollo Applied Research Inc.	Mettrum Health Corp.	\$3.39	100%	N/A	N/A	N/A	N/A
11/1/16	Vert Medical	Canopy Growth Corporation	\$1.82	100%	N/A	N/A	N/A	N/A
11/1/16	Groupe H.E.M.P.CA Inc.	Canopy Growth Corporation	\$1.69	75%	N/A	N/A	N/A	N/A
9/9/16	Urban Pharms, LLC	The Grilled Cheese Truck	\$3.96	100%	N/A	N/A	N/A	N/A
9/6/16	Peace Naturals Project Inc.	PharmaCan Capital Corp.	\$7.35	74%	N/A	N/A	N/A	N/A
8/17/16	Business in Whatcom County	Marapharm Washington, LLC	\$1.50	100%	N/A	N/A	N/A	N/A
3/31/16	Blum (Medical Dispensary)	Terra Tech Corporation	\$22.90	100%	\$13.00	\$0.24	1.8x	97.0x
2/15/16	MGC Pharmaceuticals	Erin Resources Limited	\$4.28	100%	N/A	N/A	N/A	N/A
1/4/16	JR Cannabis Industries	Acacia Diversified Holdings	\$0.42	100%	N/A	N/A	N/A	N/A
1/4/16	MariJ Agricultural, Inc.	Acacia Diversified Holdings	\$1.06	100%	\$0.26	(\$0.59)	3.3x	N/A
12/31/15	HempMeds Brasil	Medical Marijuana, Inc.	\$13.88	100%	N/A	N/A	N/A	N/A

■ USA ■ International

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Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

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Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	LTM EBITDA	EV/ Revenues	EV/ EBITDA
10/2/15	8437726 Canada Inc.	Tweed Marijuana Inc.	\$3.95	100%	N/A	N/A	N/A	N/A
8/28/15	Bedrocan Cannabis Corp.	Tweed Marijuana Inc.	\$49.95	100%	\$1.17	(\$2.00)	39.8x	N/A
7/27/15	MMJ Bioscience Inc.	Phytotech Medical	\$16.32	100%	N/A	N/A	N/A	N/A
4/24/15	T-Bird Pharma Inc.	Medna Biosciences Inc.	\$3.32	44%	N/A	(\$1.41)	N/A	N/A
2/18/15	BCBUD Producers Inc.	Highmark Marketing Inc.	\$0.40	100%	N/A	N/A	N/A	N/A
2/9/15	Medicated Markets LLC	Easton Pharmaceuticals	\$1.82	40%	N/A	N/A	N/A	N/A
2/3/15	Marapharm Inc.	Marapharm Ventures Inc.	\$4.30	100%	N/A	N/A	N/A	N/A
12/19/14	Greener Pastures	BioAB Strategies Ltd.	\$11.08	100%	N/A	N/A	N/A	N/A
12/10/14	105477 BC Ltd.	Umbral Energy Corp.	\$0.32	100%	N/A	N/A	N/A	N/A
11/5/14	In the Zone Produce Ltd.	PharmaCan Capital	\$2.51	100%	N/A	N/A	N/A	N/A
9/24/14	Good To Grow LLC	Affinor Growers, Inc.	\$0.62	49%	N/A	N/A	N/A	N/A
8/31/14	BC Maramed Production	Alliance Growers Corp.	\$0.20	45%	N/A	N/A	1.8x	97.0x
8/11/14	Seattle Green Care	Primco Management Inc.	\$0.01	100%	N/A	N/A	N/A	N/A
8/7/14	Seashore Organic Marijuana	Sechelt Organic Marijuana	\$0.01	100%	N/A	N/A	N/A	N/A
7/22/14	Suzie Q's	Primco Management Inc.	\$0.07	100%	N/A	N/A	3.3x	N/A
6/18/14	Prime1 Construction Services	Tweed Marijuana Inc.	\$4.79	100%	N/A	N/A	N/A	N/A
6/11/14	(Medical Marijuana Business)	Sunorca Development Corp.	\$0.59	100%	N/A	N/A	N/A	N/A
5/6/14	Better Buds LLC	C & C Shop LLC	\$0.15	100%	N/A	N/A	39.8x	N/A
5/2/14	CB Scientific Inc.	HempTech Corporation.	\$0.09	100%	N/A	N/A	N/A	N/A

■ USA
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(Continued on next page)

Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

(Continued from previous page)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	LTM EBITDA	EV/ Revenues	EV/ EBITDA
4/29/14	Emerald Med Farms, LLC	QED Connect, Inc.	\$0.17	100%	N/A	N/A	N/A	N/A
4/25/14	American Mining Corporation	Cannabics Inc.	\$0.20	51%	N/A	N/A	N/A	N/A
3/26/14	AAA Heidelberg Inc.	Chlormet Technologies	\$0.11	17%	N/A	N/A	N/A	N/A
2/27/14	MySkin, Inc.	N/A	\$0.13	87%	\$0.04	\$0.01	2.4x	7.0x
2/4/14	Diego Pellicer Brand	Plandáí Biotechnology, Inc.	\$0.05	100%	N/A	N/A	N/A	N/A
1/29/14	Hemp Life Today, LLC	Global Links Corp.	\$0.83	100%	N/A	N/A	N/A	N/A
6/30/13	Berkeley Bio-Organic	SK3 Group Inc.	\$0.87	100%	N/A	N/A	N/A	N/A
6/25/13	TC X Calibur Inc.	N/A	\$0.19	65%	N/A	N/A	N/A	N/A
1/29/13	CannaVest Laboratories	CannaVEST Corp.	\$35.00	100%	N/A	N/A	N/A	N/A
9/19/12	Step Out Inc.	N/A	\$0.02	23%	N/A	N/A	N/A	N/A
4/12/12	CannaVest Laboratories	Medical Marijuana, Inc.	\$2.50	80%	N/A	N/A	N/A	N/A
2/29/12	iJuana Cannabis inc.	Abattis Biologix Corporation	\$0.06	100%	N/A	N/A	N/A	N/A
2/29/12	PharmaSphere, LLC	CannaVest Laboratories	\$0.65	100%	N/A	N/A	N/A	N/A
Median of the 71 M&A Transaction Targets			\$2.96	100%	\$0.26	(\$1.00)	2.9x	52.0x

■ USA
 ■ International

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Definitions of Financial Terms Used in this Quarterly Industry Update: Enterprise Value (EV): Market Value of Equity + Market Value of Debt
—Cash Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

Gross Profit (GP): Revenues - Cost of Goods Sold

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

Price (P): Price is stated in US Dollars as of the report date.

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