

# Q3: Quarterly Industry Update

AS OF September 30, 2020



## Ancillary Cannabis

### INDUSTRY SUMMARY

COGENT VALUATION identified **Ancillary** Cannabis publicly traded companies, IPOs, and recent M&A transactions within the Ancillary Cannabis 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 June 30, 2019, the median 52-week share price return of the Ancillary Cannabis industry was -34.5%. As this industry is new and many companies trade through over-the-counter markets, multiples varied widely.

### Public Company Key Statistics

|  |                                   |                                    |                                      |
|--|-----------------------------------|------------------------------------|--------------------------------------|
| Median 52-Week<br>Return               | Median Year-to-Date<br>Return     | Median Price/Revenue<br>Multiple   | Median MVIC/Gross<br>Profit Multiple |
| -34.5%                                 | -33.3%                            | 6x                                 | 8.97x                                |
| Median Price//Gross<br>Profit Multiple | Median Price/Earnings<br>Multiple | Median<br>MVIC/Revenue<br>Multiple | Median<br>MVIC/Earnings<br>Multiple  |
| 9.68x                                  | -3.45x                            | 10.38x                             | -3.65x                               |

## Comparable Public Company Market Metrics as of September 30, 2020

|                                   | 2020   | 3 Month | 1 Year | 2 Year | Revenues | Gross Profit | Net Income | GP Margin | NI Margin           | P/Rev.    | P/GP      |
|-----------------------------------|--------|---------|--------|--------|----------|--------------|------------|-----------|---------------------|-----------|-----------|
| <b>Agrotek Holdings, Inc.</b>     | -94.4% | -94.4%  | -87.3% | -70.7% | \$0.00   | (\$0.25)     | -423.5%    | -7510.2%  | -<br>127552.1%      | 817.41x   | -10.88x   |
| <b>American Cannabis</b>          | -63.4% | -63.4%  | -55.0% | -23.6% | \$1.09   | \$0.51       | -97.4%     | 46.7%     | -89.6%              | 20.68x    | 44.30x    |
| <b>American Green, Inc.</b>       | -82.8% | -82.8%  | -72.7% | -56.7% | \$0.05   | \$0.05       | -76.6%     | 100.0%    | -1574.3%            | 16.17x    | 16.17x    |
| <b>AmeriCann, Inc.</b>            | -55.5% | -55.5%  | -6.2%  | -33.4% | N/A      | N/A          | -323.2%    | N/A       | N/A                 | N/A       | N/A       |
| <b>Café Serendipity Holdings</b>  | 44.8%  | 44.8%   | 77.3%  | -15.4% | N/A      | N/A          | N/A        | N/A       | N/A                 | N/A       | N/A       |
| <b>Canna Consumer Goods, Inc.</b> | -48.1% | -48.1%  | 3.9%   | 11.4%  | N/A      | N/A          | N/A        | N/A       | N/A                 | N/A       | N/A       |
| <b>Cannabix Technologies Inc.</b> | -48.4% | -48.4%  | -37.1% | 34.2%  | N/A      | N/A          | -270.3%    | N/A       | N/A                 | N/A       | N/A       |
| <b>Cannabiz Mobile, Inc.</b>      | 66.7%  | 66.7%   | 25.0%  | 29.1%  | \$1.21   | \$0.62       | -124.5%    | 51.4%     | -103.2%             | 0.00x     | 0.00x     |
| <b>CannaGrow Holdings</b>         | -69.0% | -69.0%  | -49.2% | -34.6% | \$1.66   | (\$0.20)     | -197.4%    | -12.1%    | -119.3%             | 0.92x     | -7.64x    |
| <b>CannaSys, Inc.</b>             | N/A    | N/A     | N/A    | N/A    | \$0.01   | \$0.01       | -35.6%     | 100.0%    | -3275.6%            | 1042.20x  | 1042.20x  |
| <b>CB Scientific, Inc.</b>        | -92.9% | -92.9%  | -75.0% | -85.0% | \$0.00   | \$0.00       | -612.5%    | 100.0%    | -<br>5567918.2<br>% | 3421.14x  | 3421.14x  |
| <b>CHUMA HOLDINGS, INC.</b>       | -53.3% | -53.3%  | -30.0% | -65.4% | \$0.05   | \$0.03       | -64.1%     | 54.3%     | -1271.7%            | 244.28x   | 449.57x   |
| <b>CSA Holdings, Inc.</b>         | -99.8% | -99.8%  | -99.1% | -96.7% | \$3.85   | \$0.87       | -121.6%    | 22.6%     | -31.6%              | 0.00x     | 0.02x     |
| <b>DigiPath, Inc.</b>             | -46.8% | -46.8%  | -4.8%  | -10.5% | \$2.43   | \$0.49       | -168.8%    | 20.3%     | -69.4%              | 3.92x     | 19.26x    |
| <b>Dutch Gold Resources, Inc.</b> | 0.0%   | 0.0%    | 0.0%   | 0.0%   | N/A      | N/A          | -155.8%    | N/A       | N/A                 | N/A       | N/A       |
| <b>EVIO, Inc.</b>                 | -54.8% | -54.8%  | -50.8% | -48.1% | \$3.06   | \$0.28       | -757.5%    | 9.1%      | -247.9%             | 3.97x     | 43.68x    |
| <b>FutureWorld Corp.</b>          | 0.0%   | 0.0%    | 0.0%   | -29.3% | \$0.25   | \$0.25       | -86.6%     | 100.5%    | -344.3%             | 2.06x     | 2.05x     |
| <b>General Cannabis Corp.</b>     | -72.2% | -72.2%  | -18.6% | -13.6% | \$5.07   | \$1.08       | -1702.1%   | 21.4%     | -336.0%             | 12.87x    | 60.15x    |
| <b>Global Hemp Group Inc.</b>     | -94.4% | -94.4%  | -40.1% | 73.0%  | \$0.00   | (\$0.01)     | -348.2%    | -620.4%   | -<br>338061.2%      | 12232.15x | -1971.69x |

## Comparable Public Company Market Metrics as of September 30, 2020

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|   | 2020   | 3 Month | 1 Year | 2 Year | Revenues | Gross Profit | Net Income | GP Margin | NI Margin | P/Rev.  | P/GP    |
|---|--------|---------|--------|--------|----------|--------------|------------|-----------|-----------|---------|---------|
| <b>Green Technology Solutions, Inc.</b>         | -62.1% | -43.8%  | -46.0% | -48.6% | N/A      | N/A          | -660.2%    | N/A       | N/A       | N/A     | N/A     |
| <b>GreenPlex Services</b>                       | -18.0% | 0.0%    | 2.5%   | -15.6% | \$0.04   | \$0.04       | -40.3%     | 100.0%    | -1057.7%  | 40.20x  | 40.20x  |
| <b>Grow Solutions Holding</b>                   | -76.9% | 185.7%  | -4.8%  | -65.8% | \$6.78   | \$1.25       | -467.4%    | 18.4%     | -68.9%    | 0.09x   | 0.48x   |
| <b>GrowGeneration</b>                           | -25.0% | 34.0%   | -25.9% | 26.0%  | \$37.71  | \$8.94       | -389.1%    | 23.7%     | -10.3%    | 2.31x   | 9.73x   |
| <b>Helix TCS, Inc.</b>                          | -7.0%  | 210.0%  | 55.0%  | -23.7% | \$11.81  | \$4.70       | -1858.5%   | 39.8%     | -157.4%   | 17.58x  | 44.15x  |
| <b>Hemp Inc.</b>                                | -23.8% | -38.7%  | -3.8%  | -18.1% | \$2.35   | \$2.06       | -3399.0%   | 87.5%     | -1443.9%  | 47.64x  | 54.45x  |
| <b>International Consolidated Companies</b>     | -50.0% | 0.0%    | -50.0% | -59.2% | \$0.06   | \$0.06       | -19.9%     | 100.0%    | -357.1%   | 7.29x   | 7.29x   |
| <b>MassRoots, Inc.</b>                          | -87.4% | 27.9%   | -69.3% | -71.8% | \$0.02   | (\$0.64)     | -1203.0%   | -2825.7%  | -53489.1% | 615.00x | -21.76x |
| <b>Medical Cannabis Payment Solutions, Inc.</b> | -57.3% | 90.8%   | 10.5%  | -36.2% | N/A      | N/A          | -425.0%    | N/A       | N/A       | N/A     | N/A     |
| <b>MediGreen Holdings</b>                       | 0.0%   | N/A     | 0.0%   | -89.5% | \$0.00   | (\$0.11)     | -241.5%    | -2868.4%  | -64230.1% | 0.25x   | -0.01x  |
| <b>Monarch America, Inc.</b>                    | 83.3%  | 450.0%  | 175.0% | 25.4%  | \$4.32   | \$1.28       | -239.8%    | 29.7%     | -55.5%    | 0.03x   | 0.09x   |
| <b>Nhale, Inc.</b>                              | -77.3% | -37.5%  | -87.5% | -71.4% | N/A      | N/A          | -7.1%      | N/A       | N/A       | N/A     | N/A     |
| <b>North American Cannabis Holdings, Inc.</b>   | 0.0%   | -44.0%  | 75.0%  | 0.0%   | N/A      | N/A          | N/A        | N/A       | N/A       | N/A     | N/A     |
| <b>Northsight Capital, Inc.</b>                 | -97.4% | -64.3%  | -92.9% | -83.8% | \$0.05   | \$0.05       | -198.7%    | 100.0%    | -3896.0%  | 7.27x   | 7.27x   |

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## Comparable Public Company Market Price Metrics as of September 30, 2020

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|  | 2020          | 3 Month      | 1 Year        | 2 Year        | Revenues   | Gross Profit    | Net Income    | GP Margin  | NI Margin  | P/Rev.     | P/GP            |
|--|---------------|--------------|---------------|---------------|------------|-----------------|---------------|------------|------------|------------|-----------------|
| <b>Novus Acquisition &amp; Development Corp.</b> | -67.6%        | 2.4%         | -44.3%        | -36.8%        | \$0.10     | \$0.09          | 2.4%          | 96.0%      | 24.5%      | 3.76x      | 3.92x           |
| <b>Peak Pharmaceuticals</b>                      | N/A           | 39.5%        | N/A           | N/A           | \$0.12     | \$0.10          | -46.0%        | 83.5%      | -395.2%    | 61.08x     | 73.16x          |
| <b>Pineapple Express, Inc.</b>                   | -38.0%        | -22.2%       | 5.1%          | 28.8%         | N/A        | N/A             | -4.6%         | N/A        | N/A        | N/A        | N/A             |
| <b>PotNetwork Holding, Inc.</b>                  | -41.2%        | -28.6%       | -64.3%        | -42.3%        | \$0.61     | \$0.61          | -336.9%       | 100.0%     | -555.4%    | 52.94x     | 52.94x          |
| <b>STWC Holdings, Inc.</b>                       | 39.7%         | 78.4%        | -54.1%        | 72.4%         | \$25.58    | \$8.96          | 24.3%         | 35.0%      | 0.9%       | 3.37x      | 9.63x           |
| <b>Synergetics, Inc.</b>                         | 1168.5%       | -38.4%       | 1425.0%       | 66.5%         | \$0.14     | \$0.03          | -227.5%       | 18.9%      | -1666.4%   | 301.94x    | 1599.18x        |
| <b>The Hydroponics Company Limited</b>           | -99.8%        | 0.0%         | -99.8%        | -96.2%        | N/A        | N/A             | -35.6%        | N/A        | N/A        | N/A        | N/A             |
| <b>U.S. Lithium, Corp.</b>                       | -23.8%        | 23.5%        | -2.5%         | N/A           | \$1.88     | \$0.48          | -606.9%       | 25.5%      | -323.2%    | 27.43x     | 107.56x         |
| <b>WEED, Inc.</b>                                | N/A           | 165.0%       | N/A           | N/A           | \$1.55     | (\$1.11)        | -976.6%       | -71.3%     | -628.1%    | 25.55x     | -35.83x         |
| <b>Median of Industry Public Companies</b>       | <b>-75.8%</b> | <b>13.7%</b> | <b>-69.8%</b> | <b>-57.4%</b> | <b>N/A</b> | <b>(\$0.00)</b> | <b>-20.7%</b> | <b>N/A</b> | <b>N/A</b> | <b>N/A</b> | <b>-951.96x</b> |

## Public Company Median Multiples by Quarter

|                       | 9/30/20 | 6/30/20 | 3/31/20 | 12/31/19 | 9/30/19 | 6/30/19 | 3/31/19 | 12/30/18 |
|-----------------------|---------|---------|---------|----------|---------|---------|---------|----------|
| Price / Revenues      | 6.00x   | 8.74x   | 6.55x   | 5.15x    | 7.67x   | 5.15x   | 7.67x   | 12.24x   |
| Price / Gross Profits | 7.13x   | 12.09x  | 8.46x   | 9.25x    | 10.22x  | 9.25x   | 10.22x  | 15.86x   |
| Price / Earnings      | -3.45x  | -4.63x  | -3.48x  | -4.63x   | -5.33x  | -4.63x  | -5.33x  | -5.11x   |
| MVIC / Revenues       | 10.38x  | 17.20x  | 8.41x   | 7.11x    | 9.22x   | 7.11x   | 9.22x   | 17.93x   |
| MVIC / Gross Profits  | 8.97x   | 14.03x  | 9.09x   | 10.76x   | 11.23x  | 10.76x  | 11.23x  | 19.75x   |
| MVIC / Earnings       | -3.65x  | -6.18x  | -3.75x  | -5.48x   | -6.18x  | -5.48x  | -6.18x  | -5.59x   |

■ Highest Multiple
 ■ Lowest Multiple
 ■ Median Multiple

## Industry Initial Public Offerings: Ancillary 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  |
|------------|--|---------------|----------------|---------------|---------------|---------------|---------------|---------------|-----------------|-----------------|
| 9/2/20     | <b>Cannabis Strategies Acquisition Corp.</b> | \$0.37        | 4.48           | \$1.68        | \$1.96        | \$0.04        | \$2.30        | (\$4.41)      | (\$7.30)        | (\$7.28)        |
| 4/3/20     | <b>The Hydroponics Company Limited</b>       | \$0.30        | 1.25           | \$0.38        | \$0.41        | \$0.12        | \$0.01        | (\$0.32)      | (\$0.33)        | (\$0.32)        |
| 12/25/19   | <b>Searchtech Ventures Inc.</b>              | \$0.23        | 7.00           | \$1.59        | \$0.72        | \$0.24        | \$0.02        | \$0.00        | (\$0.12)        | (\$0.12)        |
| 12/11/19   | <b>Cannabix Technologies Inc.</b>            | \$7.86        | 12.50          | \$98.22       | \$0.00        | \$0.00        | \$0.00        | \$0.00        | \$0.00          | \$0.00          |
| 5/3/18     | <b>Nhale, Inc.</b>                           | \$0.15        | 40.00          | \$5.96        | \$0.73        | \$0.00        | \$0.00        | \$0.00        | (\$0.46)        | (\$0.46)        |
| 7/7/14     | <b>MJ Holdings, Inc.</b>                     | \$0.09        | 6.85           | \$0.64        | \$0.22        | \$0.00        | \$0.00        | \$0.00        | (\$0.02)        | (\$0.02)        |
| 12/16/13   | <b>Aja Cannafacturing, Inc.</b>              | \$0.09        | 6.63           | \$0.75        | \$0.08        | \$0.00        | \$0.00        | \$0.00        | (\$0.14)        | (\$0.14)        |
| 5/30/13    | <b>IPOWorld</b>                              | \$0.01        | 10.00          | \$0.10        | \$0.04        | \$0.05        | \$0.04        | \$0.00        | (\$0.12)        | (\$0.12)        |
| 2/21/12    | <b>Peak Pharmaceuticals, Inc.</b>            | \$0.05        | 0.03           | \$0.00        | \$0.01        | \$0.05        | \$0.00        | (\$0.02)      | (\$0.02)        | (\$0.02)        |
|            | <b>Median of all IPOs</b>                    | <b>\$0.01</b> | <b>2.00</b>    | <b>\$0.02</b> | <b>\$0.02</b> | <b>\$0.00</b> | <b>\$0.00</b> | <b>\$0.00</b> | <b>(\$0.02)</b> | <b>(\$0.02)</b> |

## 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 |
|------------------|--|---|------------------|----------|--------------|------------|--------------|------------|
| 9/1/20           | <b>Vancity Green List Inc.</b>             | Resinco Capital Partners Inc.             | \$0.88           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 2/19/20          | <b>Grasscity</b>                           | High Tide Inc.                            | \$5.05           | 100.0%   | \$2.90       | N/A        | 1.74x        | N/A        |
| 12/9/19          | <b>Bayfield Strategy, Inc.</b>             | The Supreme Cannabis Company, Inc.        | \$0.63           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 12/30/18         | <b>Assets of Arizona DP Consulting LLC</b> | Item 9 Labs Corp.                         | \$8.25           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 12/26/18         | <b>Arizona Facilities Supply LLC</b>       | Cresco Labs, LLC (nka:Cresco Labs Inc.)   | \$25.30          | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 11/16/18         | <b>Trauma Healing Centers Incorporated</b> | Harvest Medicine Inc.                     | \$0.92           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 10/16/18         | <b>seng vital International GmbH</b>       | Lifespot Health Ltd                       | \$0.19           | 50.0%    | N/A          | N/A        | N/A          | N/A        |
| 10/2/18          | <b>DOPE Media</b>                          | High Times Holding Co.                    | \$11.20          | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 9/26/18          | <b>One Lab Co</b>                          | Mountain High Acquisitions Corp.          | \$5.68           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 8/21/18          | <b>One Lab Co</b>                          | Mountain High Acquisitions Corp.          | \$5.68           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 8/21/18          | <b>SSM Partners Inc.</b>                   | Sproutly Inc. (nka:Sproutly Canada, Inc.) | \$15.22          | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 1/31/18          | <b>iRollie LLC</b>                         | MariMed Inc.                              | \$0.60           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 9/26/18          | <b>Cash Crop Today Media LLC</b>           | Global Hemp Group Inc.                    | \$0.14           | 50.0%    | N/A          | N/A        | N/A          | N/A        |
| 8/21/18          | <b>Mai'tri Group Inc.</b>                  | Hiku Brands Company Ltd.                  | \$2.68           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 8/21/18          | <b>Larssen Ltd</b>                         | <b>Aurora Cannabis Inc.</b>               | \$1.76           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 7/13/17          | <b>PAO Group, Inc.</b>                     | <b>New Wave Holdings, Inc.</b>            | \$251.00         | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 6/7/17           | <b>Pono Publications Ltd.</b>              | <b>Medicine Man Technologies</b>          | \$12.60          | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 6/2/17           | <b>Security Grade Protective Srvc.</b>     | <b>Helix TCS, Inc.</b>                    | \$4.20           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 6/1/17           | <b>Trauma Healing Centers Inc.</b>         | <b>OrganiGram Holdings Inc.</b>           | \$1.67           | 100.0%   | N/A          | N/A        | N/A          | N/A        |

## 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 |
|------------------|---|----------------------------------|------------------|----------|--------------|------------|--------------|------------|
| 4/10/17          | <b>Knalysis Technologies Inc.</b>       | Canada House Wellness Group      | \$1.01           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 3/20/17          | <b>Cybernetics Control Systems Inc.</b> | Quadron Capital Corporation      | \$1.96           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 1/25/17          | <b>CannaBuild , LLC</b>                 | MassRoots, Inc.                  | \$2.51           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 1/23/17          | <b>Medical Cannabis Mgmt. Group</b>     | Canadian Bioceutical Corp.       | \$22.50          | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 12/19/16         | <b>127,000-square foot Property</b>     | Innovative Industrial Properties | \$30.00          | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 11/7/16          | <b>Longevity Project Group</b>          | Abba Medix Group Inc.            | \$5.08           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 8/17/16          | <b>CanvasRx Inc.</b>                    | Aurora Cannabis Inc.             | \$29.52          | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 7/29/16          | <b>Vapor Corp.</b>                      | VPR Brands, L.P.                 | \$0.87           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 5/24/16          | <b>Oregon Analytical Services, LLC</b>  | EVIO Inc.                        | \$1.20           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 11/30/15         | <b>Cannabis Health Sciences</b>         | N/A                              | \$0.02           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 9/18/15          | <b>CR Labs, Inc.</b>                    | Signal Bay, Inc.                 | \$0.44           | 80.0%    | \$0.05       | (\$0.00)   | 10.17x       | -137.84x   |
| 5/1/15           | <b>Canna Delivery Systems</b>           | Kariana Resources Inc.           | \$0.40           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 4/30/15          | <b>Oilseed Works Inc.</b>               | Mettrum Health Corp.             | \$0.20           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 2/20/15          | <b>Michigan Green Technologies</b>      | Cannabis Science, Inc.           | \$0.37           | 30.1%    | N/A          | N/A        | N/A          | N/A        |
| 2/11/15          | <b>Cannabis Health Sciences Inc.</b>    | Invictus MD Strategies           | \$0.14           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 12/9/14          | <b>Cannigistics Agri-Solutions</b>      | Calyx Bio-Ventures Inc.          | \$0.53           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 12/1/14          | <b>Healthnostics, Inc.</b>              | Stragenics, Inc.                 | \$0.75           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 10/15/14         | <b>MobiWeed</b>                         | Highmark Marketing Inc.          | \$0.21           | 100.0%   | N/A          | N/A        | N/A          | N/A        |

■ USA
 ■ International

(Continued on next page)



## 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 |
|---------------------------------------|--------------------------------------|----------------------------|------------------|----------|--------------|------------|--------------|------------|
| 9/29/14                               | <b>Sigal Consulting LLC</b>          | Worlds Online Inc.         | \$3.83           | 51.0%    | N/A          | N/A        | N/A          | N/A        |
| 9/29/14                               | <b>Ovation Research, Inc.</b>        | New Compendium             | \$0.34           | 90.4%    | \$0.09       | N/A        | 3.97x        | N/A        |
| 9/11/14                               | <b>R.E.M. International, LLC</b>     | Cannabis Kinetics Corp.    | \$1.37           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 9/11/14                               | <b>GreenPay LLC</b>                  | MyECheck, Inc.             | \$0.40           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 8/20/14                               | <b>GreenLeaf Consulting LLC</b>      | ENDEXX Corp.               | \$0.32           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 8/5/14                                | <b>Hydro Innovations, LLC</b>        | Surna Inc.                 | \$0.55           | 100.0%   | \$0.99       | (\$0.40)   | 0.55x        | -1.36x     |
| 7/25/14                               | <b>Innovative Holdings, Inc.</b>     | BioCube, Inc.              | \$0.05           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 7/23/14                               | <b>Gold Ridge Resources, Inc.</b>    | CorGreen Technologies      | \$0.00           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 7/15/14                               | <b>Kush Inc.</b>                     | Cannabis Sativa, Inc.      | \$13.20          | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 6/30/14                               | <b>(Medical Cannabis Property)</b>   | Supreme Pharmaceuticals    | \$4.13           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 5/23/14                               | <b>Phytalytics LLC</b>               | Abattis Bioceuticals Corp. | \$1.27           | 51.0%    | N/A          | N/A        | N/A          | N/A        |
| 4/7/14                                | <b>(Medical Cannabis Property)</b>   | The CannaBusiness Group    | \$0.34           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 3/4/14                                | <b>Triton Distribution Systems</b>   | Green Cures                | \$0.07           | 25.8%    | N/A          | N/A        | N/A          | N/A        |
| 3/3/14                                | <b>Hemp Market Watch</b>             | Worldwide Internet Inc.    | \$1.00           | 20.0%    | N/A          | N/A        | N/A          | N/A        |
| 2/21/14                               | <b>MicroCannaBiz, LLC</b>            | Mentor Capital, Inc.       | \$0.20           | 51.0%    | N/A          | N/A        | N/A          | N/A        |
| 2/18/14                               | <b>Securitas EDGAR Filings, Inc.</b> | N/A                        | \$0.39           | 97.4%    | N/A          | (\$0.02)   | N/A          | -17.01x    |
| 2/10/14                               | <b>(Medical Cannabis Property)</b>   | Zoned Properties Inc.      | \$1.12           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 1/30/14                               | <b>(Medical Cannabis Property)</b>   | Advanced Cannabis          | \$0.45           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 12/31/13                              | <b>Eco Science Solutions, Inc.</b>   | N/A                        | \$0.60           | 51.3%    | N/A          | (\$1.47)   | N/A          | -0.41x     |
| 11/26/13                              | <b>Dispense Labs, LLC</b>            | ENDEXX Corp.               | \$2.34           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| 8/7/13                                | <b>Hayes Pharmacy Inc.</b>           | ENDEXX Corp.               | \$0.30           | 100.0%   | N/A          | N/A        | N/A          | N/A        |
| Median of the M&A Transaction Targets |                                      |                            | \$1.16           | 100.0%   | \$0.99       | (\$0.21)   | 1.52x        | -9.18x     |

**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):** 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

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

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