

Quarterly Industry Update

As of September 30, 2016

Industry: Plant-Touching Cannabis Companies



Accountants & Consultants

Industry Summary

SingerLewak identified Plant-Touching Cannabis Companies 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, 2015, the median 52-week share price return of the Plant-Touching Cannabis Companies industry was -9.5%. As this industry is new and many companies trade through over-the-counter markets, information to calculate valuation multiples was unavailable for most companies.

Comparable Public Company Key Statistics

| | | | | | |
|----------------------------|--------|------------------------------------|-------|--------------------------------|------|
| Median 52-Week Return | (9.5%) | Median Price/Revenue Multiple | 6.0x | Median Price/Earnings Multiple | 3.0x |
| Median Year-to-Date Return | 5.3% | Median Price/Gross Profit Multiple | 15.3x | | |

Comparable Public Company Market Price Returns (As of September 30, 2016)

| | YTD | 3 Month | 1 Year | 2 Year | Revenues | Gross Profit | Net Income | GP Margin | NI Margin | P/Rev. | P/GP |
|---|---------|---------|---------|---------|------------|--------------|--------------|-----------|-------------|--------|----------|
| Abattis Bioceuticals Corp. | 4.0% | 93.8% | 27.9% | (61.4%) | \$12.2 | \$16.6 | (\$2,964.7) | 135.4% | (24241.0%) | 340.6x | 251.6x |
| Canada House Wellness Group Inc. | 55.8% | (1.1%) | N/A | N/A | \$0.0 | \$0.0 | (\$2,224.9) | N/A | N/A | N/A | N/A |
| Acacia Diversified Holdings, Inc. | 533.3% | 5.6% | 3170.2% | 71.0% | \$225.4 | \$112.3 | \$209.5 | 49.8% | 93.0% | 109.0x | 218.8x |
| Advantis Corp. | 22.2% | (35.3%) | 66.7% | (32.3%) | \$0.0 | \$0.0 | (\$294.9) | N/A | N/A | N/A | N/A |
| Aja Cannafacturing, Inc. | 0.0% | (10.0%) | (20.4%) | (94.0%) | \$22.9 | (\$13.3) | (\$2,040.2) | (58.0%) | (8897.3%) | 0.1x | (0.1x) |
| Alliance Growers Corp. | 238.2% | 126.0% | N/A | N/A | \$0.0 | \$0.0 | (\$711.2) | N/A | N/A | N/A | N/A |
| Aphria, Inc. | 183.3% | 113.3% | 280.5% | N/A | \$6,439.9 | \$5,015.0 | \$303.9 | 77.9% | 4.7% | 23.7x | 30.5x |
| Canadian Cannabis Corp. | (64.3%) | (17.5%) | (70.0%) | (23.5%) | \$319.5 | \$319.5 | (\$15,686.5) | 100.0% | (4910.2%) | 51.1x | 51.1x |
| Canamed4Pets, Inc. | (33.3%) | 100.0% | (66.7%) | (57.4%) | \$0.0 | \$0.0 | (\$1,931.1) | N/A | N/A | N/A | N/A |
| Cannabics Pharmaceuticals Inc. | (13.6%) | (5.6%) | 17.8% | (63.3%) | \$62.5 | \$62.5 | (\$443.6) | 100.0% | (709.7%) | 77.2x | 77.2x |
| Cannabis Sativa, Inc. | 321.4% | 73.5% | 34.1% | (39.4%) | \$75.7 | \$64.0 | (\$4,037.5) | 84.5% | (5332.9%) | 659.1x | 779.7x |
| Cannabis Science, Inc. | 8.0% | 1.3% | (36.0%) | (48.5%) | \$50.0 | \$47.8 | (\$13,216.7) | 95.6% | (26428.1%) | 512.9x | 536.5x |
| Cannalink, Inc. | (40.0%) | (31.4%) | (46.7%) | (55.3%) | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Canopy Growth Corporation | 43.8% | 45.3% | 154.5% | 22.6% | \$13,846.9 | \$14,126.6 | (\$6,515.5) | 102.0% | (47.1%) | 20.1x | 19.7x |
| CTT Pharmaceutical Holdings, Inc. | 143.8% | 30.0% | (90.9%) | (74.5%) | \$0.0 | \$0.0 | (\$1,670.2) | N/A | N/A | N/A | N/A |
| Easton Pharmaceuticals Inc. | (40.5%) | (42.1%) | (63.3%) | (61.0%) | \$0.0 | \$0.0 | (\$526.8) | N/A | N/A | N/A | N/A |
| Emerald Health Therapeutics, Inc. | 303.6% | 361.5% | 404.3% | (1.7%) | \$85.9 | (\$210.6) | (\$1,774.0) | (245.3%) | (2066.4%) | 347.5x | (141.6x) |
| Gala Global Inc. | (68.2%) | (32.5%) | (75.5%) | (81.6%) | \$1.6 | \$0.8 | (\$419.3) | 49.7% | (26371.7%) | 451.0x | 907.7x |
| Galileo Life Sciences, Inc. | 0.0% | (16.7%) | 34.2% | (10.6%) | \$0.0 | \$0.0 | (\$1,594.8) | N/A | N/A | N/A | N/A |
| Golden Leaf Holdings Ltd. | (49.6%) | 5.4% | N/A | N/A | \$10,733.3 | \$2,160.2 | (\$5,507.7) | 20.1% | (51.3%) | 2.1x | 10.2x |
| Green and Hill Industries, Inc | (80.0%) | 100.0% | (99.3%) | (93.7%) | \$0.1 | \$0.1 | (\$355.7) | 100.0% | (273576.9%) | 96.2x | 96.2x |
| Green Cures & Botanical Distribution Inc. | (73.1%) | 33.2% | (92.8%) | (89.3%) | \$1,237.0 | \$989.6 | \$6,141.0 | 80.0% | 496.4% | N/A | N/A |
| Grow Solutions Holdings, Inc. | (82.1%) | (75.0%) | (75.0%) | N/A | \$5,411.1 | \$1,588.1 | (\$1,329.8) | 29.3% | (24.6%) | 2.2x | 7.6x |
| GrowBlox Sciences, Inc. | 133.3% | (18.2%) | (13.8%) | (41.5%) | \$0.0 | \$0.0 | (\$6,770.3) | N/A | N/A | N/A | N/A |

(Multiple year periods are calculated as the average annual return. Revenues, gross profits, net income stated in thousands of US dollars.)

Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt - Cash

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.

Quarterly Industry Update

As of September 30, 2016

Industry: Plant-Touching Cannabis Companies



Accountants & Consultants

Comparable Public Company Market Price Returns (As of September 30, 2016)

| | YTD | 3 Month | 1 Year | 2 Year | Revenues | Gross Profit | Net Income | GP Margin | NI Margin | P/Rev. | P/GP |
|--|-------------|-------------|---------------|----------------|--------------|--------------|--------------------|--------------|-----------------|--------------|--------------|
| Tetra Bio-Pharma Inc. | 84.3% | 173.6% | 1370.6% | N/A | \$0.0 | (\$10.6) | (\$295.6) | N/A | N/A | N/A | (480.5x) |
| InMed Pharmaceuticals Inc. | (24.1%) | 23.7% | (34.8%) | (36.8%) | \$0.0 | \$0.0 | (\$2,562.3) | N/A | N/A | N/A | N/A |
| Kaneh Bosc BioTechnology Inc. | 79.4% | (55.4%) | (12.7%) | N/A | \$39.4 | \$1.4 | (\$201.1) | 3.5% | (510.8%) | 12.5x | 353.1x |
| Kaya Holdings, Inc. | (18.4%) | 3.8% | (32.4%) | (17.8%) | \$756.7 | \$331.2 | (\$1,474.6) | 43.8% | (194.9%) | 8.7x | 19.8x |
| Lotus Ventures Inc. | (15.4%) | (10.1%) | N/A | N/A | \$0.0 | \$0.0 | (\$608.0) | N/A | N/A | N/A | N/A |
| Maple Leaf Green World Inc. | 381.5% | 211.9% | 1294.5% | 152.0% | \$0.0 | \$0.0 | (\$1,055.0) | N/A | N/A | N/A | N/A |
| Marapharm Ventures Inc. | 172.1% | 392.9% | 146.3% | N/A | \$0.0 | (\$87.4) | (\$2,151.9) | N/A | N/A | N/A | (273.9x) |
| Marijuana Company of America, Inc. | (78.8%) | (20.0%) | 328.6% | 114.8% | (\$18.6) | (\$26.5) | (\$250.7) | 142.7% | 1347.6% | (0.7x) | (0.5x) |
| MCPI, Inc. | (51.1%) | (1.4%) | (68.6%) | (52.0%) | \$0.0 | \$0.0 | (\$279.7) | N/A | N/A | N/A | N/A |
| Medical Marijuana, Inc. | 47.0% | 35.3% | 94.3% | (30.9%) | \$9,215.4 | \$5,304.7 | \$25,971.0 | 57.6% | 281.8% | 16.9x | 29.4x |
| Medically Minded, Inc. | (70.0%) | (10.0%) | (80.0%) | (72.4%) | \$0.0 | \$0.0 | (\$319.2) | N/A | N/A | N/A | N/A |
| MediJane Holdings Inc. | 290.0% | (2.5%) | (67.5%) | (92.8%) | \$41.0 | \$17.0 | (\$11,761.2) | 41.5% | (28664.8%) | 2.7x | 6.5x |
| Mettrum Health Corp. | 103.1% | 73.5% | 153.4% | N/A | \$8,176.5 | \$5,883.3 | (\$4,930.2) | 72.0% | (60.3%) | 11.8x | 16.3x |
| MGC Pharmaceuticals Limited | 70.0% | (1.8%) | 154.5% | 102.2% | \$1.6 | (\$9.6) | (\$4,586.8) | (582.3%) | (279685.4%) | 11846.8x | (2034.4x) |
| MMJ Phytotech Limited | 5.3% | 2.9% | (6.3%) | N/A | \$190.0 | (\$56.6) | (\$10,950.2) | (29.8%) | (5764.2%) | 136.2x | (457.0x) |
| MYM Nutraceuticals Inc. | (9.4%) | 97.8% | N/A | N/A | \$0.0 | (\$0.9) | (\$799.1) | N/A | N/A | N/A | (1293.1x) |
| Neutra Corp. | (77.1%) | (37.3%) | (63.0%) | (73.6%) | \$0.0 | \$0.0 | (\$1,266.9) | N/A | N/A | N/A | N/A |
| Next Generation Management Corp. | (65.0%) | (41.7%) | (74.1%) | (75.8%) | \$52.8 | \$52.8 | (\$5,377.0) | 100.0% | (10189.5%) | 2.6x | 2.6x |
| Nutritional High International Inc. | 31.9% | 77.3% | 56.3% | N/A | \$0.0 | \$0.0 | (\$1,570.2) | N/A | N/A | N/A | N/A |
| Rocky Mountain High Brands, Inc. | (33.9%) | (11.2%) | (67.4%) | 41.2% | \$1,075.5 | (\$59.2) | \$2,325.7 | (5.5%) | 216.3% | 12.9x | (235.0x) |
| Terra Tech Corp. | 301.8% | 10.1% | 273.7% | 1.3% | \$15,435.8 | \$2,309.5 | (\$13,452.8) | 15.0% | (87.2%) | 7.4x | 49.2x |
| True Leaf Medicine International Ltd. | 83.9% | (37.0%) | 32.0% | N/A | \$57.9 | \$12.6 | (\$810.4) | 21.8% | (1400.6%) | 110.2x | 505.3x |
| Wildflower Marijuana Inc. | 15.0% | 7.2% | 33.3% | N/A | \$0.0 | \$0.0 | (\$762.4) | N/A | N/A | N/A | N/A |
| Median of Industry Public Companies | 5.3% | 2.9% | (9.5%) | (45.0%) | \$6.9 | \$0.0 | (\$1,402.2) | 49.8% | (709.7%) | 21.9x | 19.7x |

(Multiple year periods are calculated as the average annual return. Revenues, gross profits, net income stated in thousands of US dollars.)

Median Public Company Multiples of the Plant-Touching Cannabis Companies

| Date: | 9/30/2014 | 12/31/2014 | 3/31/2015 | 6/30/2015 | 9/30/2015 | 12/31/2015 | 3/31/2016 | 6/30/2016 | 9/30/2016 |
|------------------------------|-----------|------------|-----------|-----------|-----------|------------|-----------|-----------|-----------|
| EV/Revenues Multiple | N/A | N/A | 8.7x | 7.0x | 5.8x | 5.4x | 7.1x | 11.1x | 6.0x |
| Price/Earnings Multiple | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 2.8x | 3.0x |
| EV/Gross Cash Flows Multiple | 42.4x | 7.1x | 4.4x | 8.7x | 12.3x | 16.7x | 28.4x | 14.2x | 15.3x |

Quarterly Industry Update

As of September 30, 2016

Industry: Plant-Touching Cannabis Companies

Industry Initial Public Offerings - (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 |
|---------------------------|-------------------------------------|-------------|----------------|---------------|---------------|---------------|---------------|---------------|-----------------|----------------|
| 10/18/2016 | Creso Pharma Limited | \$0.15 | 25.00 | \$3.83 | \$0.12 | \$0.04 | \$0.09 | (\$0.02) | (\$0.02) | (\$0.02) |
| 10/4/2016 | Cannabis Royalties & Holdings Corp. | \$1.52 | 2.50 | \$3.80 | N/A | N/A | N/A | N/A | N/A | N/A |
| 3/13/2015 | Nutritional High International Inc. | \$0.04 | 32.90 | \$1.29 | \$0.64 | \$0.00 | \$0.00 | \$0.00 | (\$2.50) | \$0.00 |
| 1/20/2015 | MMJ Phytotech Limited | \$0.16 | 29.66 | \$4.85 | N/A | N/A | N/A | N/A | N/A | N/A |
| 7/7/2014 | Searchtech Ventures Inc. | \$0.09 | 6.85 | \$0.64 | \$0.22 | \$0.00 | \$0.00 | \$0.00 | (\$0.02) | \$0.00 |
| 8/15/2011 | Lifestyle Delivery Systems Inc | \$0.20 | 3.00 | \$0.61 | \$0.42 | \$0.00 | \$0.00 | \$0.00 | (\$0.02) | \$0.00 |
| 9/16/2010 | 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 | \$1.29 | \$0.22 | \$0.00 | \$0.00 | \$0.00 | (\$0.02) | \$0.00 |

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 | Target Country |
|------------------|------------------------------|-----------------------------|------------------|----------|--------------|------------|-------------|-----------|----------------|
| 11/1/2016 | Vert Medical | Canopy Growth Corporation | \$1.8 | 100% | N/A | N/A | N/A | N/A | Canada |
| 9/9/2016 | Urban Pharms, LLC | The Grilled Cheese Truck | \$4.0 | 100% | N/A | N/A | N/A | N/A | United States |
| 9/6/2016 | Peace Naturals Project Inc. | PharmaCan Capital Corp. | \$7.4 | 74% | N/A | N/A | N/A | N/A | Canada |
| 8/17/2016 | Business in Whatcom County | Marapharm Washington, LLC | \$1.5 | 100% | N/A | N/A | N/A | N/A | United States |
| 3/31/2016 | Blum (Medical Dispensary) | Terra Tech Corporation | \$22.9 | 100% | \$13.00 | \$0.24 | 1.8x | N/A | United States |
| 2/15/2016 | MGC Pharmaceuticals | Erin Resources Limited | \$4.3 | 100% | N/A | N/A | N/A | N/A | Israel |
| 1/4/2016 | JR Cannabis Industries | Acacia Diversified Holdings | \$0.4 | 100% | N/A | N/A | N/A | N/A | United States |
| 1/4/2016 | MariJ Agricultural, Inc. | Acacia Diversified Holdings | \$1.1 | 100% | \$0.26 | (\$0.59) | 3.3x | N/A | United States |
| 12/31/2015 | HempMeds Brasil | Medical Marijuana, Inc. | \$13.9 | 100% | N/A | N/A | N/A | N/A | United States |
| 10/2/2015 | 8437726 Canada Inc. | Tweed Marijuana Inc. | \$3.9 | 100% | N/A | N/A | N/A | N/A | Canada |
| 8/28/2015 | Bedrocan Cannabis Corp. | Tweed Marijuana Inc. | \$49.1 | 100% | \$1.17 | (\$2.00) | N/A | N/A | Canada |
| 7/27/2015 | MMJ Bioscience Inc. | Phytotech Medical | \$16.3 | 100% | N/A | N/A | N/A | N/A | Canada |
| 4/24/2015 | T-Bird Pharma Inc. | Medna Biosciences Inc. | \$3.3 | 44% | N/A | (\$1.41) | N/A | N/A | Canada |
| 2/18/2015 | BCBUD Producers Inc. | Highmark Marketing Inc. | \$0.4 | 100% | N/A | N/A | N/A | N/A | Canada |
| 2/9/2015 | Medicated Markets LLC | Easton Pharmaceuticals | \$1.8 | 40% | N/A | N/A | N/A | N/A | United States |
| 2/3/2015 | Marapharm Inc. | Marapharm Ventures Inc. | \$4.3 | 100% | N/A | N/A | N/A | N/A | Canada |
| 12/19/2014 | Greener Pastures | BioAB Strategies Ltd. | \$11.1 | 100% | N/A | N/A | N/A | N/A | Canada |
| 12/10/2014 | 105477 BC Ltd. | Umbra Energy Corp. | \$0.3 | 100% | N/A | N/A | N/A | N/A | Canada |
| 11/5/2014 | In the Zone Produce Ltd. | PharmaCan Capital | \$2.5 | 100% | N/A | N/A | N/A | N/A | Canada |
| 9/24/2014 | Good To Grow LLC | Affinar Growers, Inc. | \$0.6 | 49% | N/A | N/A | N/A | N/A | United States |
| 8/31/2014 | BC Maramed Production | Alliance Growers Corp. | \$0.2 | 45% | N/A | N/A | N/A | N/A | Canada |
| 8/11/2014 | Seattle Green Care | Primco Management Inc. | \$0.0 | 100% | N/A | N/A | N/A | N/A | United States |
| 8/7/2014 | Seashore Organic Marijuana | Sechelt Organic Marijuana | \$0.0 | 100% | N/A | N/A | N/A | N/A | Canada |
| 7/22/2014 | Suzie Q's | Primco Management Inc. | \$0.1 | 100% | N/A | N/A | N/A | N/A | United States |
| 6/18/2014 | Prime1 Construction Services | Tweed Marijuana Inc. | \$4.8 | 100% | N/A | N/A | N/A | N/A | Canada |
| 6/11/2014 | (Medical Marijuana Business) | Sunorca Development Corp. | \$0.6 | 100% | N/A | N/A | N/A | N/A | Canada |
| 5/6/2014 | Better Buds LLC | C & C Shop LLC | \$0.2 | 100% | N/A | N/A | N/A | N/A | United States |
| 5/2/2014 | CB Scientific Inc. | HempTech Corporation. | \$0.1 | 100% | N/A | N/A | N/A | N/A | United States |
| 4/29/2014 | Emerald Med Farms, LLC | QED Connect, Inc. | \$0.2 | 100% | N/A | N/A | N/A | N/A | United States |

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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 | Target Country |
|---|-----------------------------|---------------------------------|------------------|-------------|---------------|-----------------|-------------|-------------|----------------|
| 4/25/2014 | American Mining Corporation | Cannabics Inc. | \$0.2 | 51% | N/A | N/A | N/A | N/A | United States |
| 3/26/2014 | AAA Heidelberg Inc. | Chlormet Technologies | \$0.1 | 17% | N/A | N/A | N/A | N/A | Canada |
| 2/27/2014 | MySkin, Inc. | N/A | \$0.1 | 87% | \$0.04 | \$0.01 | 2.4x | 7.0x | United States |
| 2/4/2014 | Diego Pellicer Brand | Plandaí Biotechnology, Inc. | \$0.1 | 100% | N/A | N/A | N/A | N/A | United States |
| 1/29/2014 | Hemp Life Today, LLC | Global Links Corp. | \$0.8 | 100% | N/A | N/A | N/A | N/A | United States |
| 6/30/2013 | Berkeley Bio-Organic | SK3 Group Inc. | \$0.9 | 100% | N/A | N/A | N/A | N/A | United States |
| 6/25/2013 | TC X Calibur Inc. | N/A | \$0.2 | 65% | N/A | N/A | N/A | N/A | United States |
| 1/29/2013 | CannaVest Laboratories | CannaVEST Corp. | \$35.0 | 100% | N/A | N/A | N/A | N/A | United States |
| 9/19/2012 | Step Out Inc. | N/A | \$0.0 | 23% | N/A | N/A | N/A | N/A | United States |
| 4/12/2012 | CannaVest Laboratories | Medical Marijuana, Inc. | \$2.5 | 80% | N/A | N/A | N/A | N/A | United States |
| 2/29/2012 | iJuana Cannabis inc. | Abattis Biologix Corporation | \$0.1 | 100% | N/A | N/A | N/A | N/A | Canada |
| 2/29/2012 | PharmaSphere, LLC | CannaVest Laboratories | \$0.7 | 100% | N/A | N/A | N/A | N/A | United States |
| 5/26/2011 | Modern Mobility Aids | N/A | \$0.1 | 67% | \$0.01 | N/A | N/A | N/A | Canada |
| 2/28/2011 | Mokita, Inc. | N/A | \$0.1 | 31% | N/A | N/A | N/A | N/A | United States |
| 10/8/2010 | Altitude Organic Licensing | The Amergence Group | \$1.0 | 100% | N/A | N/A | N/A | N/A | United States |
| 3/15/2010 | Organic Science, Inc. | International Merchant Advisors | \$15.0 | 100% | N/A | N/A | N/A | N/A | United States |
| Median of the 45 M&A Transaction Targets | | | \$0.8 | 100% | \$0.26 | (\$0.59) | 2.4x | 7.0x | |

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