

Quarterly Industry Update

As of December 31, 2016

Industry: Plant-Touching Cannabis Companies

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 December 31, 2015, the median 52-week share price return of the Plant-Touching Cannabis Companies industry was 129.7%. 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	129.7%	Median Price/Revenue Multiple	8.5x	Median Price/Earnings Multiple	59.8x
Median Year-to-Date Return	129.7%	Median Price/Gross Profit Multiple	27.8x		

Comparable Public Company Market Price Returns (As of December 31, 2016)

	YTD	3 Month	1 Year	2 Year	Revenues	Gross Profit	Net Income	GP Margin	NI Margin	P/Rev.	P/GP
Abattis Bioceuticals Corp.	129.7%	121.0%	129.7%	(14.2%)	\$12.2	\$16.6	(\$2,964.7)	135.4%	(24241.0%)	752.8x	555.9x
Acacia Diversified Holdings, Inc.	400.0%	(21.1%)	400.0%	233.3%	\$175.2	\$54.1	\$164.8	30.9%	94.1%	111.2x	359.9x
Advantis Corp.	(6.7%)	(23.6%)	(6.7%)	(19.0%)	\$0.0	\$0.0	(\$294.9)	N/A	N/A	N/A	N/A
Aja Cannafacturing, Inc.	177.8%	177.8%	177.8%	(81.1%)	\$22.9	(\$13.3)	(\$2,040.2)	(58.0%)	(8897.3%)	0.1x	(0.3x)
Alliance Growers Corp.	519.7%	83.2%	519.7%	N/A	\$0.0	\$0.0	(\$711.2)	N/A	N/A	N/A	N/A
Aphria Inc.	306.7%	43.6%	306.7%	103.4%	\$9,034.0	\$7,477.8	\$1,348.4	82.8%	14.9%	26.5x	32.0x
Canada House Wellness Group Inc.	N/A	N/A	N/A	N/A	\$3,340.3	\$2,285.2	\$608.1	68.4%	18.2%	7.8x	11.4x
Canadian Cannabis Corp.	(65.1%)	(2.3%)	(65.1%)	(63.3%)	\$319.5	\$319.5	(\$15,686.5)	100.0%	(4910.2%)	49.9x	49.9x
Canamed4Pets, Inc.	(33.3%)	0.0%	(33.3%)	(36.8%)	\$0.0	\$0.0	(\$1,931.1)	N/A	N/A	N/A	N/A
Cannabics Pharmaceuticals Inc.	1156.0%	1353.3%	1156.0%	56.4%	\$112.5	\$112.5	(\$307.2)	100.0%	(273.0%)	628.3x	628.3x
Cannabis Sativa, Inc.	671.4%	83.1%	671.4%	(11.5%)	\$27.8	\$28.0	(\$2,722.7)	100.8%	(9807.9%)	3406.6x	3379.8x
Cannabis Science, Inc.	338.7%	306.2%	338.7%	9.3%	\$48.6	\$47.1	(\$16,454.4)	96.9%	(33856.7%)	2421.7x	2499.9x
Cannalink, Inc.	(50.0%)	(16.7%)	(50.0%)	(30.2%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CannaRoyalty Corp.	N/A	N/A	N/A	N/A	\$106.8	\$69.9	(\$3,950.1)	65.4%	(3699.9%)	626.2x	956.8x
CanniMed Therapeutics Inc.	N/A	N/A	N/A	N/A	\$15,468.5	\$7,997.1	(\$2,216.0)	51.7%	(14.3%)	1.9x	3.7x
Canopy Growth Corporation	217.9%	121.1%	217.9%	95.6%	\$18,289.1	\$18,830.8	(\$5,299.7)	103.0%	(29.0%)	37.8x	36.7x
Creso Pharma Limited	N/A	N/A	N/A	N/A	\$89.2	(\$12.9)	(\$18.8)	(14.5%)	(21.1%)	60.5x	(416.9x)
CTT Pharmaceutical Holdings, Inc.	275.0%	53.8%	275.0%	(65.2%)	\$0.0	\$0.0	(\$1,670.2)	N/A	N/A	N/A	N/A
Easton Pharmaceuticals Inc.	686.5%	1222.7%	686.5%	48.5%	\$0.0	\$0.0	(\$526.8)	N/A	N/A	N/A	N/A
Emerald Health Therapeutics, Inc.	510.4%	51.2%	510.4%	54.4%	\$116.6	(\$203.1)	(\$1,977.4)	(174.2%)	(1696.6%)	403.4x	(231.5x)
eSense-Lab Ltd.	N/A	N/A	N/A	N/A	\$0.0	\$0.0	\$0.0	N/A	N/A	N/A	N/A
Gala Global Inc.	(32.5%)	112.6%	(32.5%)	(56.3%)	\$1.6	\$0.8	(\$261.4)	49.7%	(16442.1%)	N/A	N/A
Galileo Life Sciences, Inc.	(22.5%)	(22.5%)	(22.5%)	(5.9%)	\$0.0	\$0.0	(\$1,594.8)	N/A	N/A	N/A	N/A
Golden Leaf Holdings Ltd.	(60.6%)	(21.7%)	(60.6%)	N/A	\$10,438.1	\$1,998.1	(\$3,451.8)	19.1%	(33.1%)	1.9x	9.7x

(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 December 31, 2016

Industry: Plant-Touching Cannabis Companies

Comparable Public Company Market Price Returns (As of December 31, 2016)

	YTD	3 Month	1 Year	2 Year	Revenues	Gross Profit	Net Income	GP Margin	NI Margin	P/Rev.	P/GP
Green and Hill Industries, Inc	(40.0%)	200.0%	(40.0%)	(75.5%)	\$0.1	\$0.1	(\$355.7)	100.0%	(273576.9%)	288.7x	288.7x
Green Cures & Botanical Distribution Inc.	(37.1%)	133.5%	(37.1%)	(75.9%)	\$1,237.0	\$989.6	\$6,141.0	80.0%	496.4%	0.0x	0.1x
Grow Solutions Holdings, Inc.	(83.9%)	(10.0%)	(83.9%)	N/A	\$6,124.2	\$2,043.5	(\$2,867.5)	33.4%	(46.8%)	1.7x	5.0x
GB Sciences, Inc.	145.9%	5.4%	145.9%	(4.0%)	\$0.0	\$0.0	(\$6,556.6)	N/A	N/A	N/A	N/A
InMed Pharmaceuticals Inc.	84.7%	143.3%	84.7%	34.0%	\$0.0	\$0.0	(\$1,601.5)	N/A	N/A	N/A	N/A
Innovative Industrial Properties, Inc.	N/A	N/A	N/A	N/A	\$5,628.2	\$5,628.2	\$4,986.7	100.0%	88.6%	N/A	N/A
(Invalid Identifier)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Kaya Holdings, Inc.	207.5%	276.8%	207.5%	88.9%	\$987.4	\$468.8	(\$1,481.4)	47.5%	(150.0%)	26.2x	55.3x
Lifestyle Delivery Systems Inc	526.0%	5.0%	526.0%	N/A	\$7.5	(\$97.6)	(\$1,386.9)	(1297.5%)	(18442.7%)	1674.5x	(129.1x)
Lotus Ventures Inc.	1.2%	19.7%	1.2%	N/A	\$0.0	\$0.0	(\$616.5)	N/A	N/A	N/A	N/A
Maple Leaf Green World Inc.	623.0%	50.1%	623.0%	229.6%	\$0.0	\$0.0	(\$1,127.4)	N/A	N/A	N/A	N/A
Marapharm Ventures Inc.	374.1%	74.2%	374.1%	N/A	\$0.0	(\$167.5)	(\$2,165.0)	N/A	N/A	N/A	(268.3x)
Marijuana Company of America, Inc.	186.2%	1250.0%	186.2%	1323.0%	\$0.0	\$0.0	(\$1,679.7)	N/A	N/A	N/A	N/A
Mansfield-Martin Exploration Mining, Inc.	24.1%	153.6%	24.1%	(23.6%)	(\$20.7)	\$4.8	(\$337.5)	(23.3%)	1634.2%	(425.6x)	1823.5x
Medical Marijuana, Inc.	443.2%	269.5%	443.2%	32.8%	\$9,215.4	\$5,304.7	\$25,971.0	57.6%	281.8%	62.5x	108.6x
(Invalid Identifier)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MediJane Holdings Inc.	25.0%	(67.9%)	25.0%	(90.2%)	\$41.0	\$17.0	(\$11,761.2)	41.5%	(28664.8%)	0.9x	2.1x
MGC Pharmaceuticals Limited	64.1%	(3.4%)	64.1%	255.5%	\$1.6	(\$9.6)	(\$4,586.8)	(582.3%)	(279685.4%)	11441.9x	(1964.9x)
MMJ Phytotech Limited	(10.8%)	(15.3%)	(10.8%)	N/A	\$190.0	(\$56.6)	(\$10,950.2)	(29.8%)	(5764.2%)	115.4x	(387.1x)
MYM Nutraceuticals Inc.	62.3%	79.1%	62.3%	N/A	\$0.0	(\$11.4)	(\$807.2)	N/A	N/A	N/A	(183.6x)
Neutra Corp.	(84.9%)	(34.0%)	(84.9%)	(75.1%)	\$0.0	\$0.0	(\$1,236.5)	N/A	N/A	N/A	N/A
Next Generation Management Corp.	(15.0%)	142.9%	(15.0%)	(38.5%)	\$52.8	\$52.8	(\$5,377.0)	100.0%	(10189.5%)	6.4x	6.4x
Nutritional High International Inc.	425.1%	298.0%	425.1%	N/A	\$427.3	\$407.5	(\$1,504.1)	95.4%	(352.0%)	67.5x	70.8x
Rocky Mountain High Brands, Inc.	(3.0%)	46.8%	(3.0%)	100.5%	\$1.4	\$0.4	\$0.3	31.9%	(74.2%)	2.5x	3.1x
Terra Tech Corp.	241.4%	(15.0%)	241.4%	12.0%	\$0.3	N/A	N/A	N/A	(71.9%)	0.9x	(0.6x)
Tetra Bio-Pharma Inc.	343.3%	140.6%	343.3%	88.3%	N/A	N/A	N/A	N/A	N/A	N/A	(0.2x)
Tianjin Guifaxiang 18th Street Mahua Food Co., Ltd.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
True Leaf Medicine International Ltd.	90.6%	3.7%	90.6%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
United Cannabis Corporation	647.6%	282.9%	647.6%	55.4%	\$0.7	N/A	N/A	N/A	N/A	1.0x	(0.7x)
Wildflower Marijuana Inc.	101.6%	75.3%	101.6%	74.7%	N/A	N/A	N/A	N/A	N/A	N/A	0.5x
Median of Industry Public Companies	129.7%	74.2%	129.7%	9.3%	\$12.2	\$0.4	(\$1,504.1)	54.6%	(273.0%)	43.8x	5.7x

(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:	12/31/2014	3/31/2015	6/30/2015	9/30/2015	12/31/2015	3/31/2016	6/30/2016	9/30/2016	12/31/2016
EV/Revenues Multiple	N/A	N/A	6.9x	5.0x	4.5x	8.2x	11.5x	6.0x	8.5x
Price/Earnings Multiple	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3.0x	59.8x
EV/Gross Cash Flows Multiple	7.1x	4.4x	8.7x	12.3x	18.0x	34.8x	7.2x	19.8x	27.8x

Quarterly Industry Update

As of December 31, 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
2/10/2017	eSense-Lab Ltd.	\$0.15	17.50	\$2.69	N/A	N/A	N/A	N/A	N/A	N/A
12/28/2016	CanniMed Therapeutics Inc.	\$8.85	5.00	\$44.25	\$62.40	\$24.56	\$15.47	\$1.00	(\$2.22)	\$3.79
11/30/2016	Innovative Industrial Properties, Inc.	\$20.00	3.35	\$67.00	N/A	N/A	FALSE	\$5.63	\$4.99	\$5.63
11/17/2016	Tianjin Guifaxiang 18th Street Mahua Food Co.,	\$2.41	32.00	\$77.21	\$97.55	\$14.99	\$68.61	\$17.82	\$13.87	\$18.20
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	CannaRoyalty 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	\$3.80	\$0.42	\$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
2/7/2017	Country Junction Farms, Inc.	Kleangas Energy Technologies, Inc.	\$1.8	51%	N/A	N/A	N/A	N/A	United States
1/31/2017	Mettrum Health Corp.	Canopy Growth Corporation	\$321.9	100%	\$10.28	(\$3.29)	29.6x	N/A	Canada
1/10/2017	2344823 Ontario Inc.	Mettrum Health Corp.	\$10.8	100%	N/A	N/A	N/A	N/A	Canada
1/9/2017	OregaPet	True Leaf Pet Inc.	\$0.3	100%	\$0.14	N/A	2.4x	N/A	Canada
11/16/2016	Apollo Applied Research Inc.	Mettrum Health Corp.	\$3.4	100%	N/A	N/A	N/A	N/A	Canada
11/1/2016	Vert Medical	Canopy Growth Corporation	\$1.8	100%	N/A	N/A	N/A	N/A	Canada
11/1/2016	Vert Medical - Green Medical Inc.	Canopy Growth Corporation	\$1.8	100%	N/A	N/A	N/A	N/A	Canada
11/1/2016	Groupe H.E.M.P. CA Inc.	Canopy Growth Corporation	\$1.7	75%	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	97.0x	United States
2/15/2016	MGC Pharmaceuticals	Erin Resources Limited	\$4.3	100%	N/A	N/A	N/A	N/A	Australia
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.	\$49.9	100%	\$1.17	(\$2.00)	39.8x	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.	Umbral Energy Corp.	\$0.3	100%	N/A	N/A	N/A	N/A	Canada

Quarterly Industry Update

As of December 31, 2016

Industry: Plant-Touching Cannabis Companies



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
11/5/2014	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	Affinor 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
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	Plandaf 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	Galileo Life Sciences, Inc.	\$0.1	67%	\$0.10	N/A	1.0x	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 52 M&A Transaction Targets			\$1.0	100%	\$0.26	(\$1.00)	2.4x	52.0x	

Disclosures and Limitations: This research report is for informational and discussion purposes only. Information presented herein is not investment advice of any kind to any person and does not constitute a recommendation as to the purchase or sale of any interests or as to any other course of action. General, financial, and statistical information concerning the details of this report and related industry are from sources SingerLewak believes to be reliable. SingerLewak has accurately reflected such information in this research report; however, SingerLewak makes no representation as to the sources' accuracy or completeness and has accepted this information without further verification. Neither all nor any part of the content of this report may be conveyed to the public through advertising, public relations, news, sales, mail, direct transmittal, or other media without the prior written consent of SingerLewak. SingerLewak's research is as of the date reported herein. SingerLewak has no affiliation with any of the companies comprising the industry used as a basis for research in this report, nor does SingerLewak hold any investments in the companies listed herein. The content of this report may be used, in part, as a basis for any work that SingerLewak performs for you in the future at the sole discretion of SingerLewak. THIS REPORT IS NOT TO BE USED OR CONSIDERED UNDER ANY CIRCUMSTANCE BY ANYONE AS INVESTMENT ADVICE.