



Fundamental Research Corp.

Investment Analysis for Intelligent Investors

Analysts' Ideas of the Week

Shares of Gold Junior Up 50% After Exceptional Drill Results

July 12, 2021

www.researchfrc.com

Reddit Discussed Stocks

Last week's pick, GameStop Corp (NYSE: GME), was down 1.5% the day after our recommendation. **Our picks had generated positive returns 10 weeks in a row prior to last week.** The Electric Vehicle sector remains the most actively discussed among retail investors, followed by cryptos. This week, we are observing strong retail sentiment around Cineplex Inc. (TSX: CGX). Key parameters used may include – a) total number of mentions, b) percentage change in the number of mentions, c) stock sentiment, and d) market capitalization.

July 12, 2021

Company	Ticker	Sector
Cineplex	CGX	Entertainment

Source: FRC

FRC Top Picks

The following table shows last week's top five performers among our Top Picks, including two junior resource companies (one graphite and one gold), two real estate companies, and one gaming/betting company. The top performer, **South Star Battery (TSXV: STS)**, had positive developments in the prior week. Our comments can be viewed [here](#).

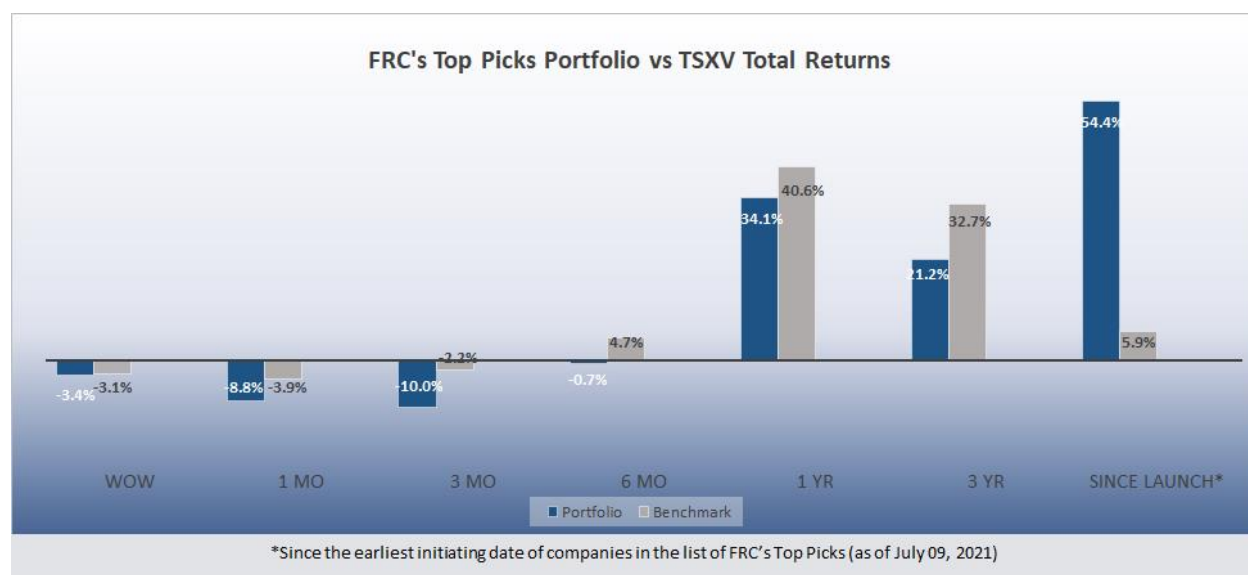
Top Five Performers Last Week

Top 5 Weekly Performers	WoW Returns
South Star Battery Metals Corp. (STS.V)	13.8%
European Residential REIT (ERE-UN.TO)	7.6%
Elys Game Technology Corp (ELYS)	4.2%
Lumina Gold Corp. (LUM.V)	1.3%
Timbercreek Financial Corp (TF.TO)	0.8%

* Past performance is not indicative of future performance (as of July 09, 2021)

Source: FRC

Companies in our Top Picks list are up 54% on average since we initiated coverage vs 6% for the benchmark (TSXV).



Performance by Sector

Total Return	WoW	1 Mo	3 Mo	6 Mo	1 Yr	3 Yr	Since Launch*
Mining	-4.1%	-8.2%	-5.7%	-6.5%	36.9%	24.2%	78.3%
Cannabis	-5.2%	-17.2%	-37.7%	-15.4%	-8.3%	N/A	-12.5%
Technology	-2.4%	-12.6%	-22.3%	6.6%	120.0%	11.9%	10.6%
Special Situations	-1.2%	-0.1%	-0.8%	15.2%	25.3%	13.0%	18.0%
Private Companies	N/A	N/A	N/A	N/A	6.9%	20.4%	23.9%
Portfolio (Total)	-3.4%	-8.8%	-10.0%	-0.7%	34.1%	21.2%	54.4%
Benchmark² (Total)	-3.1%	-3.9%	-2.2%	4.7%	40.6%	32.7%	5.9%
Portfolio (Annualized)	-	-	-	-	34.1%	6.6%	5.9%
Benchmark ² (Annualized)	-	-	-	-	40.6%	9.9%	0.8%

1. Since the earliest initiating date of companies in the list of Top Picks (as of July 09, 2021)

2. Green (blue) indicates FRC's picks outperformed (underperformed) the benchmark.

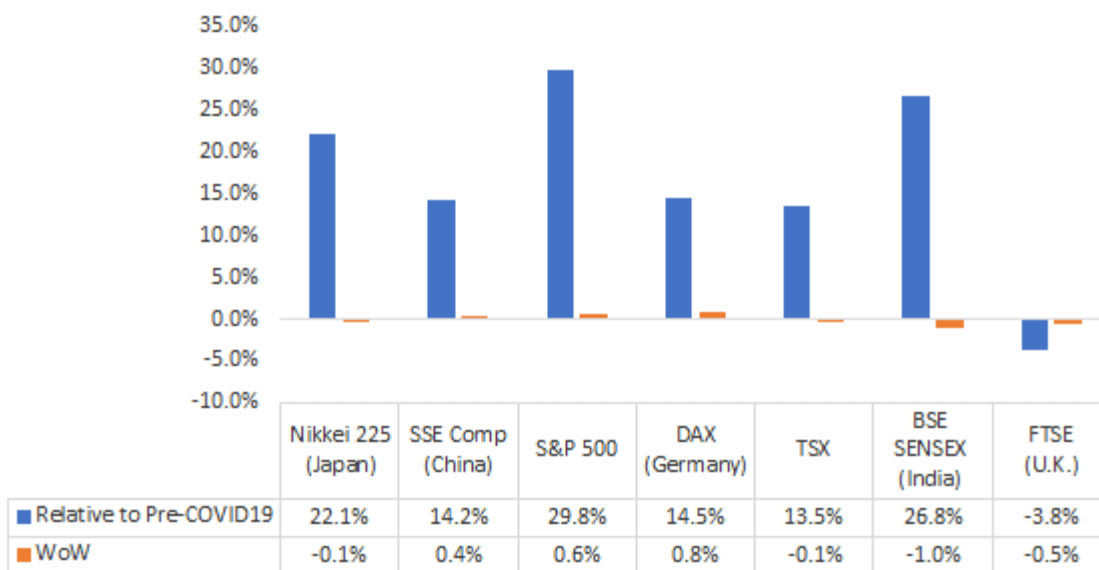
Source: FRC

Our complete list of top picks (updated weekly) can be viewed [here](#).

Weekly Mining Commentary

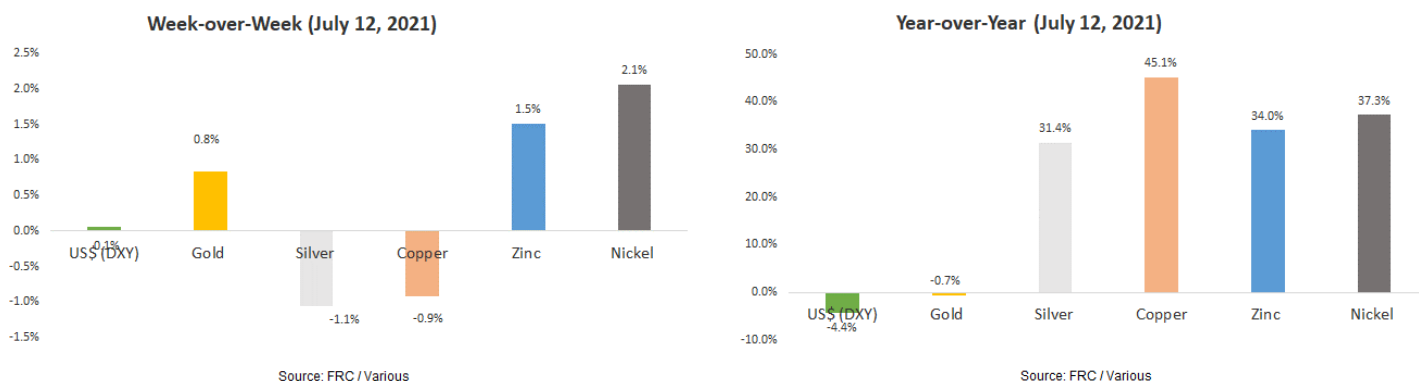
Global equity indices we track remained relatively flat last week.

Current Vs Pre COVID-19 (as of July 12, 2021)



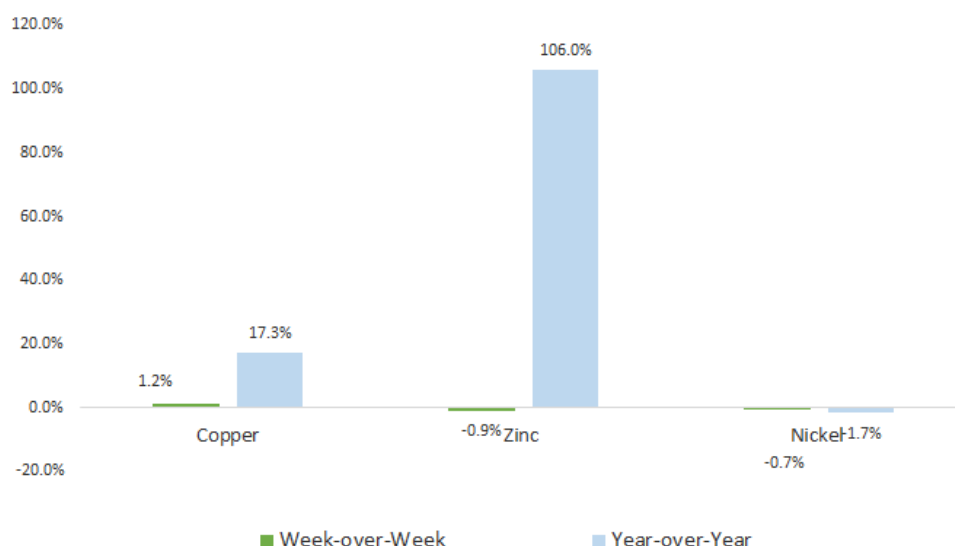
Source: FRC / Various

Nickel prices remain highly volatile relative to other mainstream metals.



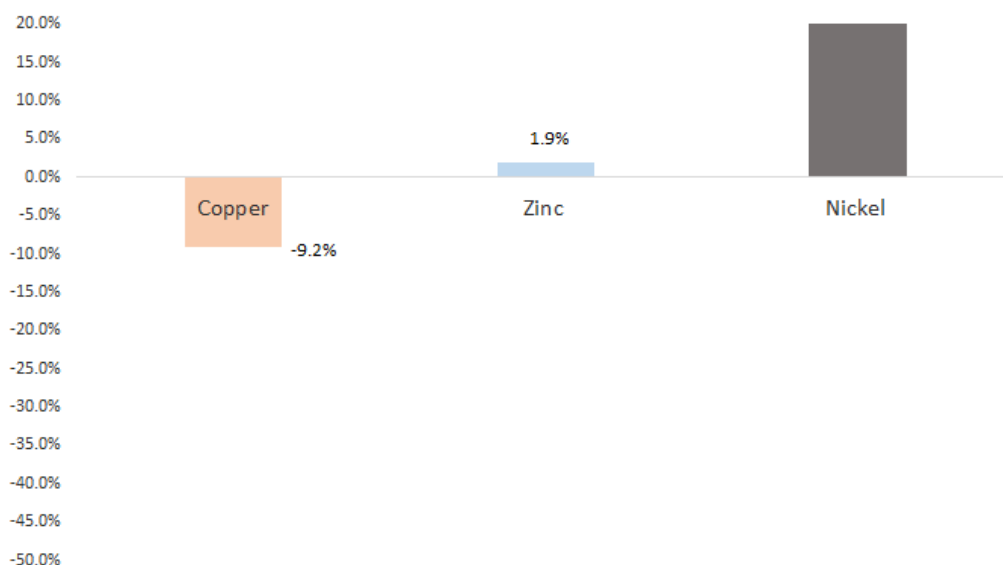
Source: FRC / Various

LME Inventory (July 12, 2021)



Source: FRC / Various

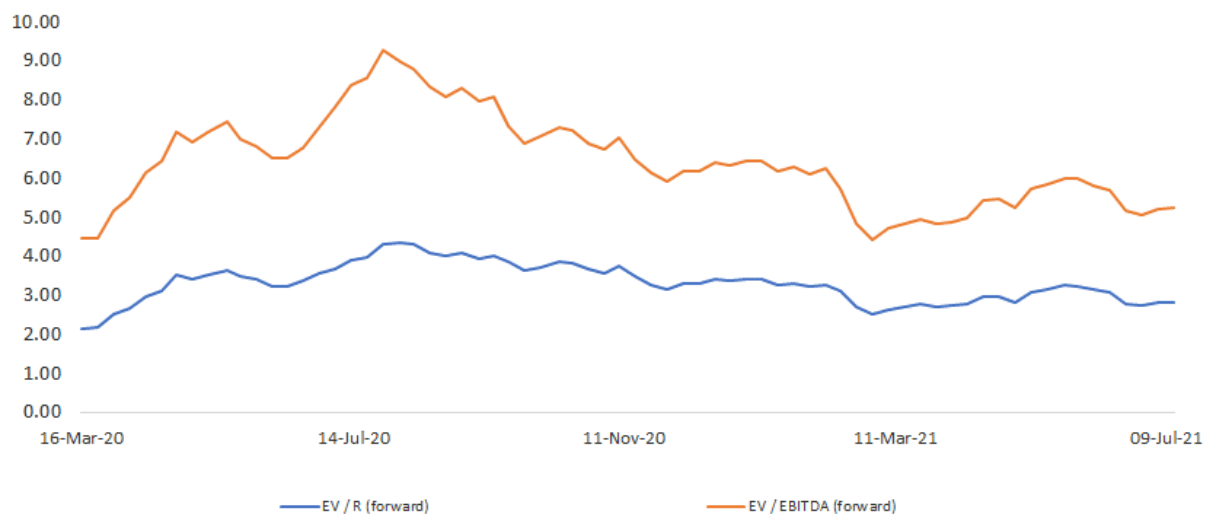
SHFE Inventory (July 9, 2021)



Source: FRC / SHFE

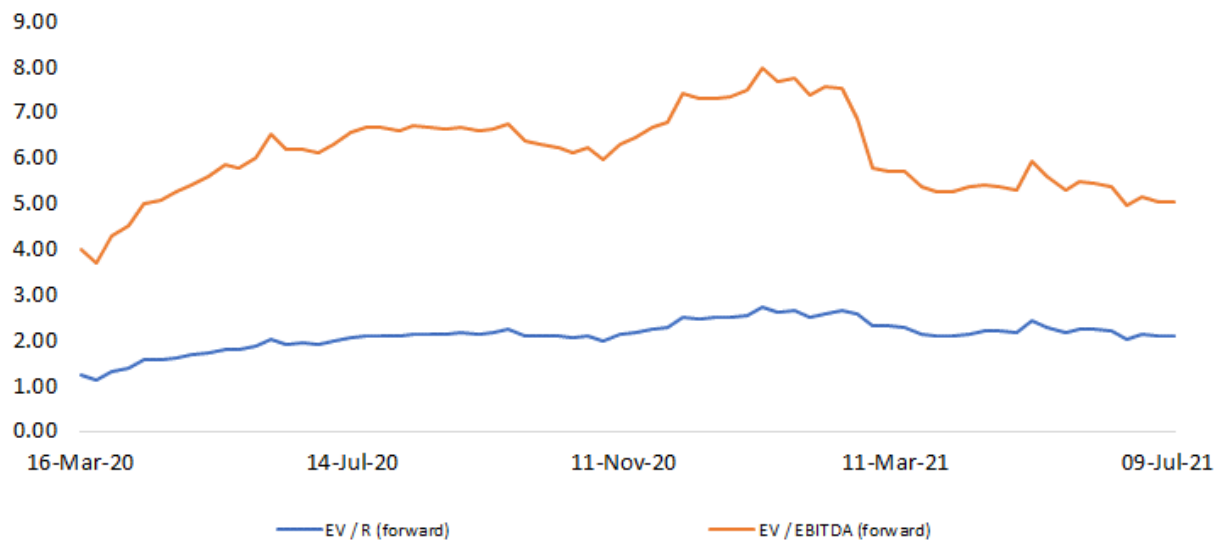
Valuations of both gold and base metals producers were also flat WoW.

Gold Producers



Source: S&P Capital IQ & FRC

Base Metal Producers



Source: S&P Capital IQ & FRC

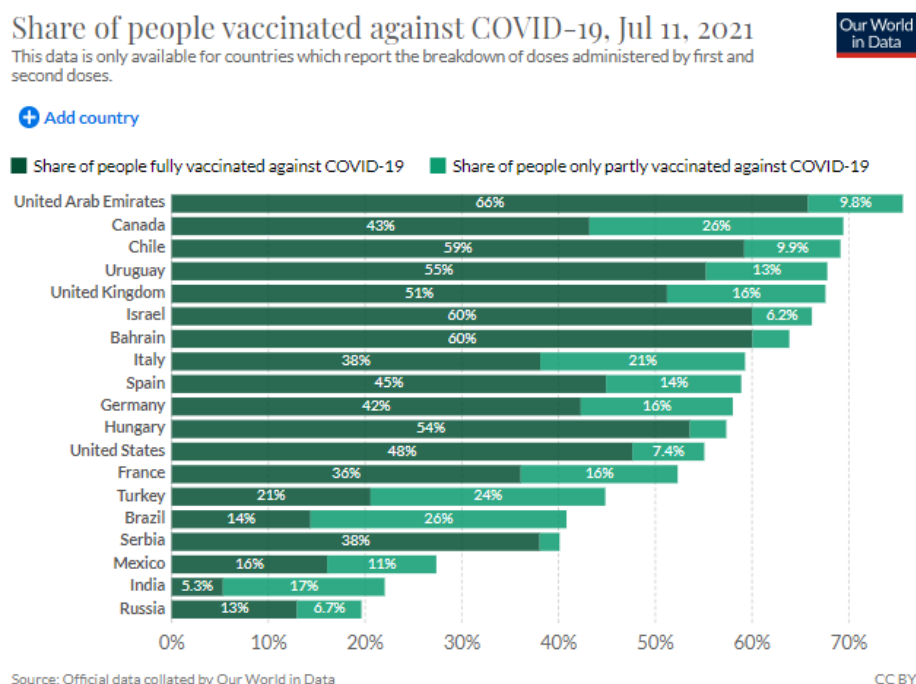
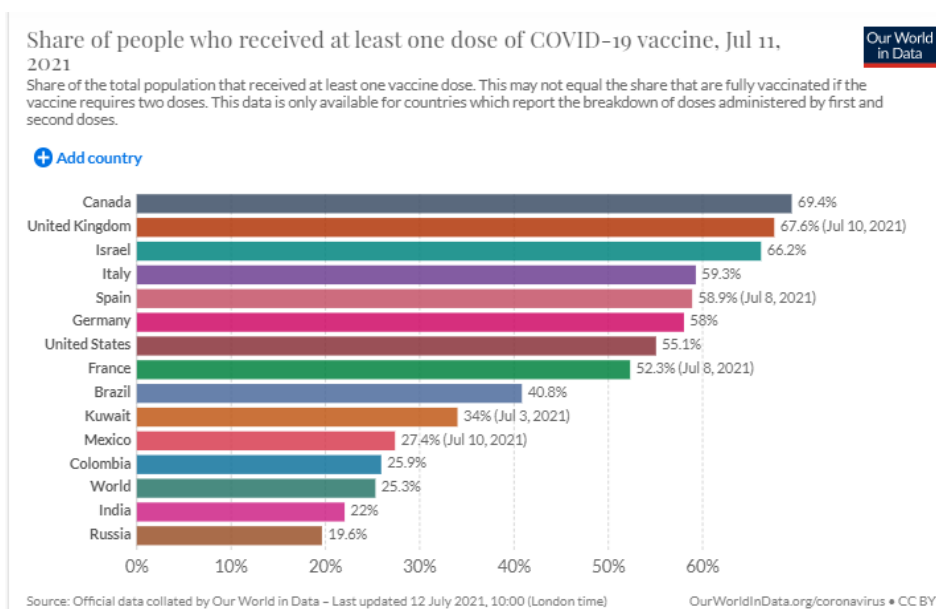
Gold Producers		28-Jun-21		05-Jul-21		12-Jul-21	
		EV / R (forward)	EV / EBITDA (forward)	EV / R (forward)	EV / EBITDA (forward)	EV / R (forward)	EV / EBITDA (forward)
1	Barrick	3.62	6.62	3.61	6.60	3.65	6.69
2	Newmont	3.99	7.49	4.03	7.56	4.06	7.65
3	Polyus	5.84	8.33	5.73	8.17	5.60	7.98
4	Agnico Eagle	4.26	8.44	4.22	8.36	4.19	8.35
5	AngloGold	1.84	3.53	1.99	3.52	2.08	4.04
6	Kinross Gold	2.30	5.11	2.32	5.25	2.28	5.16
7	Gold Fields	2.24	4.05	2.31	4.15	2.37	4.25
8	Sibanye	0.99	2.04	1.02	2.12	1.03	2.18
9	Yamana	2.33	3.65	2.92	5.08	2.86	4.99
10	B2Gold	2.33	3.65	2.34	3.66	2.25	3.53
11	Alamos	3.08	5.84	3.12	5.92	3.11	5.93
12	Harmony	0.77	2.57	0.81	2.68	0.83	2.80
13	Eldorado Gold	2.01	4.40	2.00	4.37	1.96	4.30
Average (excl outliers)		2.74	5.06	2.80	5.19	2.79	5.22
Min		0.77	2.04	0.81	2.12	0.83	2.18
Max		5.84	8.44	5.73	8.36	5.60	8.35

Base Metal Producers		EV / R (forward)		EV / EBITDA (forward)		EV / R (forward)	
		EV / R (forward)		EV / EBITDA (forward)		EV / R (forward)	
1	BHP Group	3.27	5.34	3.24	5.24	3.35	5.40
2	Rio Tinto	2.34	3.76	2.26	3.63	2.25	3.59
3	South32	1.64	6.33	1.62	6.20	1.62	6.15
4	Glencore	0.43	5.06	0.43	4.98	0.43	4.88
5	Anglo American	1.45	3.15	1.44	3.14	1.42	3.06
6	Teck Resources	2.05	5.21	2.05	5.18	2.07	5.22
7	First Quantum	3.61	7.04	3.60	6.96	3.60	7.02
Average (excl outliers)		2.11	5.13	2.09	5.05	2.11	5.05
Min		0.43	3.15	0.43	3.14	0.43	3.06
Max		3.61	7.04	3.60	6.96	3.60	7.02

Source: S&P Capital IQ & FRC

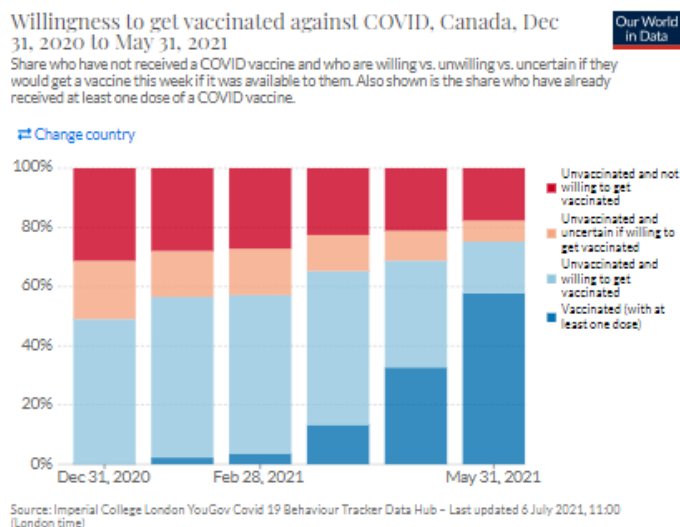
Source: S&P Capital IQ & FRC

Six (five last week) out of the top 15 hardest hit nations (including the U.K., Spain, Russia, Iran, and Mexico) are experiencing a spike in new COVID-19 cases. The rise in cases in the U.K. is primarily attributed to the recently concluded European Championship. 69.4% of Canadians have received at least one dose vs 68.6% at the same time last week. 43% of Canadians are fully vaccinated (previously 35%) vs 51% in the U.K. (50%), and 48% in the U.S. (47%).



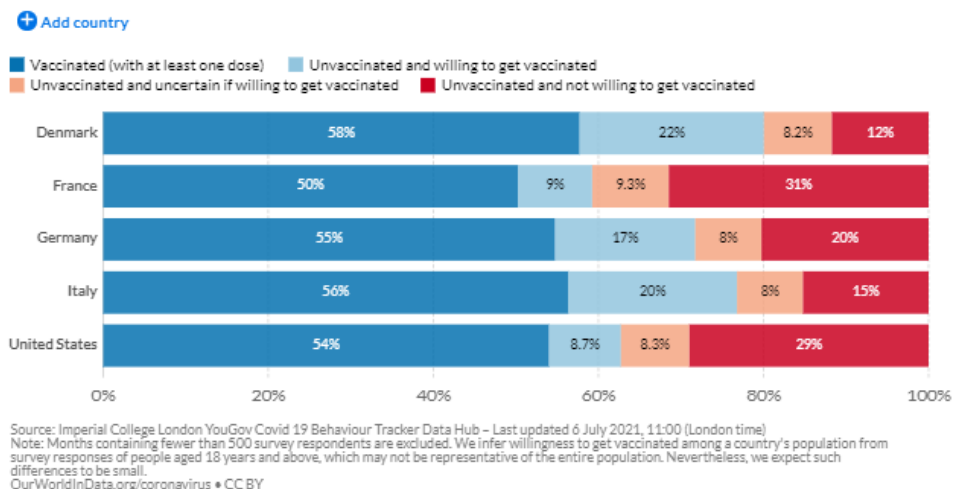
At the end of May, approximately 25% of Canadians were unwilling or undecided as to whether or not to get vaccinated vs 15% in the U.K., 23% in Italy, 28% in Germany, 36% in the U.S., and 40% in France. We expect these figures to gradually decline as more people get vaccinated. **On a positive note, we believe vaccine hesitancy in**

Europe and North America will result in increased vaccine supply in Asia and South America.



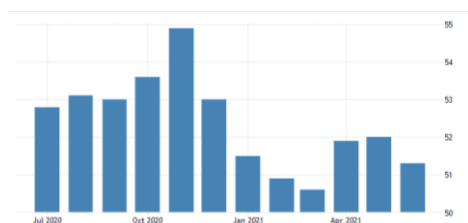
Willingness to get vaccinated against COVID, Jun 30, 2021

Share who have not received a COVID vaccine and who are willing vs. unwilling vs. uncertain if they would get a vaccine this week if it was available to them. Also shown is the share who have already received at least one dose of a COVID vaccine.

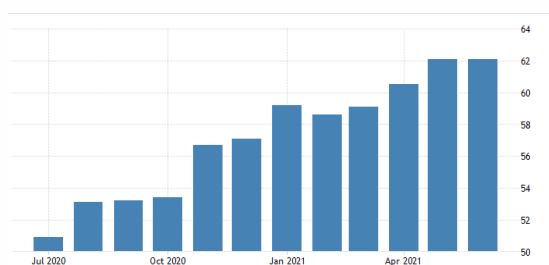


China's economic activities slowed in Q2. The Chinese government is taking initiatives to encourage banks to boost lending. On the other hand, the U.S. is experiencing a strong rebound in economic activities and consumer confidence.

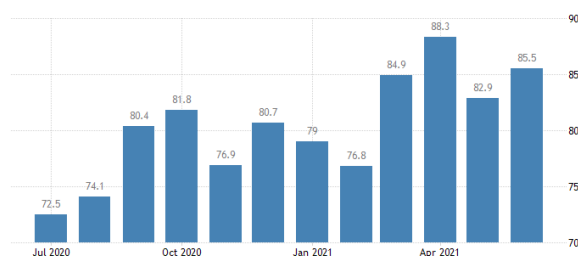
China's Manufacturing Index



U.S. Manufacturing Index



U.S. Consumer Confidence



Source: Trading Economics

We are maintaining our price forecasts. **Gold prices are up US\$30/oz since our note titled “[An Opportunity to Buy Gold](#)” on June 21, 2021.** We are maintaining our positive near-term outlook on gold and silver.

	Current Price	FRC Forecasts	
		2021E	Long-Term (2024+)
Gold (US\$/oz)	\$1,806	\$1,850	\$1,400
Silver (US\$/oz)	\$26.17	\$25.00	\$18.00
Copper (US\$/lb)	\$4.31	\$3.75	\$3.00
Zinc (US\$/lb)	\$1.34	\$1.20	\$1.10
Nickel (US\$/lb)	\$8.40	\$7.50	\$8.00

Source: FRC

Source: Bloomberg

In the following section, we review companies that announced key developments in the past week.

Mining / Exploration

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
<u>Cora Gold Limited</u>	AIM: CORA	£0.12	£0.18	July 7, 2021
PR Content Released additional results from an ongoing drill program at Sanankoro, Mali: <ul style="list-style-type: none"> ➤ 19m @ 31.56 g/t Au from 65m ➤ 21m @ 5.75 g/t Au from 98m ➤ 19m @ 2.07 g/t Au from 28m ➤ 14m @ 8.54 g/t Au from 115m ➤ 7m @ 12.17 g/t Au from 70m ➤ 30m @ 1.68 g/t Au from 74m 		FRC Opinion Positive – 19m @ 31.56 g/t is the best hole drilled to date on the project. These results show very high-grade values over long intercepts. For comparison, the average grade of Cora's existing resource is 1.6 g/t. Shares are up 50% since the announcement. We had initiated coverage on Cora last month. 24,398 m of a 35,000 m drill program has been completed. We are expecting significant upside in resource estimate. The current resource is based on just 25% of an identified strike length of 40 km.		
Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
<u>Vista Gold Corp.</u>	NYSE: VGZ	US\$0.90	US\$1.93	July 7, 2021 July 8, 2021
PR Content \$13.5M bought deal financing at US\$1.10 per unit (common share + half warrant). As shares were trading at US\$1.27 per share, the market was disappointed with the announcement. The current share price is well below the financing price.		FRC Opinion Positive – The recent correction offers investors an excellent entry point. This deal further strengthens the company's balance sheet. Ongoing drilling continues to confirm expansion potential outside the existing resource. A 2019 PFS had returned an AT-NPV5% of US\$1.13B, based on US\$1,500/oz gold. Vista's current enterprise value is just US\$103M.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
Aurcana Silver Corporation	TSXV: AUN	\$0.91	\$1.14	July 7, 2021
PR Content Initial samples from the Virginius vein returned 38.6 ounces per ton of silver equivalent over 2.5 feet, including 85.8 opt over 0.6 feet.		FRC Opinion Positive – These extremely high grades are very positive for the company’s upcoming production plans. Ore will be delivered to the process plant this month, and management is expecting to reach full production (270 stpd) by September. Their guidance is 1.3–1.6 Moz in production from August to December, with US\$10-US\$12/oz in OPEX.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
Gran Colombia Gold Corp	TSX: GCM	\$5.00	\$9.46	July 6, 2021 July 12, 2021
PR Content Completed Phase 2 drilling (10,494 m/42 holes) at its recently acquired Toroparu project in Western Guyana. Ongoing drilling at Segovia (Colombia) returned multiple high-grade intercepts: 137.44 g/t Au over 0.56 meters, 93.19 g/t over 0.54 meters; 73.03 g/t over 0.30 meters; and 44.49 g/t over 0.35 meters.		FRC Opinion Positive – Results from Toroparu indicate resource expansion potential. GCM is working on an updated resource and PEA; expected later this summer. Segovia’s results indicate that the company will be able to replace a portion of 2021 production. We are expecting 2021 production to be 210 Koz (unchanged).		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
Blue Lagoon Resources	CSE: BLLG	\$0.69	\$1.03	July 7, 2021 July 8, 2021
PR Content Announced a \$5.5M financing, including a \$1.5M commitment from Crescat Capital		FRC Opinion Positive – We see this as a strong vote of confidence on Dome Mountain. Toll milling partner, Nicola Mining (TSXV: NIM), has started processing the material received from Dome Mountain. This will provide immediate cash flows for BLLG. Funds can be used towards its ongoing exploration program, which has been returning high-grade intercepts.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
Monarch Mining Corporation	TSX: GBAR	\$0.86	\$1.68	July 7, 2021
PR Content Additional results from its 42,500-metre drill program at the Beaufor mine gold project (Québec) returned: <ul style="list-style-type: none"> ➤ 119.0 g/t over 0.5 m, within 3.5 m of 18.93 g/t Au ➤ 56.1 g/t over 0.8 m, within 1.78 m of 29.53 g/t ➤ 45.6 g/t Au over 0.75 m, within 1.65 m of 27.60 g/t 		FRC Opinion Positive – These are from near-mine targets, and indicate resource expansion potential. GBAR is working on an updated resource estimate, with plans to re-commence production in 2022.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
GR Silver Mining Ltd.	TSXV: GRSL	\$0.55	\$0.98	July 7, 2021
PR Content Reported additional drill results at Plomosas: 41.7 m @ 1.13 g/t Au, 11.1 m @ 0.81 g/t Au, and 13.0 m @ 328 g/t Ag		FRC Opinion Positive - Results from both near-surface and underground drilling have been promising. The company is preparing maiden resource estimates on Plomosas and San Juan. Note that our fair value estimate is based solely on San Marcial.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
Gold Springs Resource Corp	TSX: GRC	\$0.18	\$0.30	July 5, 2021
PR Content Announced the first set of assays from its 2021 drill program at the Gold Springs project on the border of Nevada and Utah: 5.30 g/t gold with 12.4 g/t silver over 19.8 meters; 1.58 g/t gold with 8.3 g/t silver over 9.1 meters; 2.10 g/t gold with 3.4 g/t silver over 3.1 meters; and 4.32 g/t gold with 10.3 g/t silver over 1.6 meters.		FRC Opinion Positive – These grades are significantly higher than the existing resource estimate’s average grade of approximately 0.5 g/t gold. GRC has completed 31 holes (6,020 m) of the budgeted 8,100 m program. Assays have been received for the first 15 holes. We believe there is significant room for resource expansion as there are multiple untested targets with the same high-resistivity signature as the known resources. Only four of 32 known targets have resource estimates.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
Braveheart Resources Inc.	TSXV: BHT	\$0.11	\$0.42	July 5, 2021 July 7, 2021
PR Content Intersected additional high grade copper mineralization at the Bull River Mine project: 5.60% copper, 29.3 g/t silver and 0.49 g/t gold over 1.0 metres, within 3.5 m of 2.93% copper.		FRC Opinion Positive - These extremely high copper grades will benefit the company when Bull River is advanced to production (expected later this year). All six holes drilled to date have intersected mineralized structures. Results show mineralization up to 175 metres below the lowest levels of the developed underground mine infrastructure, implying resource expansion potential. The company also closed a \$0.72M financing.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
Zimtu Capital Corp.	TSXV: ZC	\$0.24	\$0.69	July 6, 2021
PR Content Diamond explorer, Arctic Star Exploration, (TSXV: ADD) discovered five new kimberlites on its property in the NWT.		FRC Opinion Positive – We had initiated coverage on ZC last month. ADD accounts for 8% of its portfolio. ZC offers investors exposure to a diverse portfolio of early-stage junior resource companies, including a unique opportunity to participate in the value created during the public company building process. At the end of Q1, ZC's investments were valued at \$16M; however, its current MCAP is just \$4M.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
Southern Silver Exploration Corp	TSXV: SSV	\$0.40	\$1.06	July 6, 2021
PR Content Additional encouraging results from an ongoing drill program on the Cerro Las Minitas project, Durango, Mexico: <ul style="list-style-type: none"> 2.1 metre averaging 161 g/t Ag, 0.1 g/t Au, 4.9% Pb, and 3.0% Zn, including 0.5 metres averaging 1,229 g/t AgEq 4.3 metres averaging 159 g/t Ag, 0.1 g/t Au, 2.4% Pb, and 3.5% Zn, including 0.5 metres averaging 705g/t AgEq 		FRC Opinion Positive – Results show high probability for resource expansion. Note that the project already has a resource estimate of 134 Moz AgEq indicated, and 138 Moz inferred. Our fair value estimate is conservative as it does not account for any resource upside. SSV has completed 54 core holes totaling 20,207 metres since September 2020. Assay results from 11 drill holes are pending.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
Colibri Resources Corporation	TSXV: CBI	\$0.135	\$0.29	July 6, 2021 July 8, 2021
PR Content Released results of six more holes at the Pilar gold & silver project in Sonora: <ul style="list-style-type: none"> ➤ 47.3 meters at 0.75 g/t Au from surface, including 12.2 meters at 1.1 g/t. ➤ 19.8 meters at 1.06 g/t Au from 27.5 to 47.3 meters, including 3.1 meters at 5.6 g/t Au ➤ 44.2 meters at 0.41 g/t Au from 10.7 to 54.9 meters, including 7.6 meters at 1.7 g/t Au 		FRC Opinion Positive - These results provide more confidence to our preliminary estimate of 624 Koz for Pilar. Our estimate is based on rough dimensions of 1,200 m (strike) x 625 m (width) x 100+ m (depth). CBI and partners have drill programs planned for four projects in H2-2021.		

Financials, Technology, Energy, and Special Situations

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
Elys Game Technology Corp.	NASDAQ: ELYS	US\$4.08	US\$6.69	July 7, 2021
PR Content Announced a definitive agreement to acquire a US. based provider of sportsbook services to gaming companies for US\$12M (\$6M in cash and US\$6M in shares) upfront, and another \$42M based on achievement of milestones. Details of the target's revenue or earnings were not disclosed.		FRC Opinion Positive - By adding bookmaking capabilities to its technology platform, ELYS will significantly enhance its value proposition to prospective clients. We will be publishing an update report shortly. The deal is expected to be finalized this month.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
Kidoz Inc.	TSXV: KIDZ	\$0.66	\$2.23	July 12, 2021
PR Content TradPlus, a leading mediation platform in China (a centralized platform that offers access to multiple ad networks), has integrated Kidoz into its solution. TradPlus is a popular mediation platform offering monetization services for top publishers in China. Through this partnership, KIDZ will now be on thousands of apps.		FRC Opinion Positive – This is a significant partnership, and allows KIDZ significant exposure to the Chinese market. KIDZ currently reaches over 300M kids per month with its kids-safe ads. We are expecting 55% YoY revenue growth this year (unchanged) to \$11M.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
Trillion Energy International Inc.	CSE: TCF	\$0.29	\$0.58	July 6, 2021 July 9, 2021
PR Content Started preparation work for the first two SASB development wells.		FRC Opinion Positive - This is part of a 17-well program, which, if successful, will result in peak annual production of 11.3 bcf net to TCF (\$68M in revenue at \$6/mcf gas). Recent increases in both oil and gas prices will positively impact the company's Q2 and Q3 performance. TCF is working on closing a previously announced US\$17.5M financing.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
TAAT Global Alternatives Inc.	CSE: TAAT	\$3.17	\$5.17	July 9, 2021
PR Content TAAT products were seen displayed in an Illinois tobacco retailer next to signage for Marlboro (NYSE: MO) and Newport, two of the most recognized tobacco brands worldwide. In addition to e-commerce, TAAT products are now sold across 300 stores in the U.S.		FRC Opinion Positive – Illinois has a high rate of smokers compared to other states; 15.5% vs 14% nationwide, according to the CDC. We believe this is a positive development and are pleased to see the company expanding its presence.		

Cannabis

Weekly Cannabis Commentary

Cannabis Industry Performance

July 12, 2021

U.S. Companies	YTD	1-Week	1-Year
Curaleaf Holdings Inc.	8%	0%	99%
Trulieve Cannabis Corp.	12%	-2%	161%
Green Thumb Industries Inc.	32%	1%	194%
Cresco Labs Inc.	10%	4%	127%

Canadian Companies	YTD	1-Week	1-Year
Aurora Cannabis Inc.	-16%	-3%	-37%
Canopy Growth Corp.	-17%	-3%	14%
Cronos Group Inc.	10%	-1%	10%
Tilray Inc.	4%	-4%	3%
HEXO Corp.	20%	-8%	56%
Organigram Holdings Inc.	78%	1%	57%

Canadian Average	13%	-3%	17%
U.S. Average	16%	1%	145%

Indices			
Canadian	YTD	1-Week	1-Year
HMMJ	23%	-2%	39%
MCAN	22%	-3%	45%
XCAN	15%	-5%	31%
U.S.	YTD	1-Week	1-Year
MSOS	6%	0%	69%

Source: FRC

Last week, U.S. cannabis stocks outperformed their Canadian counterparts amid positive developments:

- The state of Missouri posted record revenue from medical cannabis sales in June.
- A report put forth by the Cannabis Freedom Alliance, an advocacy group endorsed by the Koch family, issued a report with recommendations for federally legalizing marijuana.

- Trulieve (CSE: TRUL) announced the start of cultivation at a 100,000 sq. ft. facility in West Virginia, and closed the acquisition of three new dispensaries in Pennsylvania.

Valuation

As of July 12, 2021, the Canadian big four LPs were trading at a 93% premium (down from 115% in previous week) over their U.S. peers. The valuation gap diminished due to more favorable developments in the U.S.

July 5, 2021				July 12, 2021	
Canadian Companies	Ticker	TEV/Revenue	TEV/EBITDA	TEV/Revenue	TEV/EBITDA
Aurora Cannabis Inc.	TSX: ACB	7.9	NM	7.6	NM
Canopy Growth Corp.	TSX: WEED	19.8	NM	19	NM
Cronos Group Inc.	TSX: CRON	36.6	NM	34.8	NM
Tilray Inc.	NASDAQ: TLRY	16.8	NM	16	NM
HEXO Corp.	NYSE: HEXO	9	NM	8.2	NM
Organigram Holdings Inc.	TSX: OGI	13.8	NM	13.5	NM
AVERAGE		15.6	NM	16.5	NM
MEDIAN		13.8	NM	13.5	NM
MINIMUM		5.0	NM	5.0	NM
MAXIMUM		36.6	NM	34.8	NM

U.S. Companies	Ticker	TEV/Revenue	TEV/EBITDA	TEV/Revenue	TEV/EBITDA
Curaleaf Holdings Inc.	OTC: CURLF	12.8	43.9	12.9	44.2
Trulieve Cannabis Corp.	OTC: TCNNF	7.2	15.4	8.1	17.2
Green Thumb Industries Inc.	OTC: GTBIF	11.2	30.7	11.6	31.7
Cresco Labs Inc.	OTC: CRLBF	7.0	23.3	7.2	24
AVERAGE		9.6	28.3	10.0	29.3
MEDIAN		9.2	27.0	9.9	27.9
MINIMUM		7.0	15.4	7.2	17.2
MAXIMUM		12.8	43.9	12.9	44.2

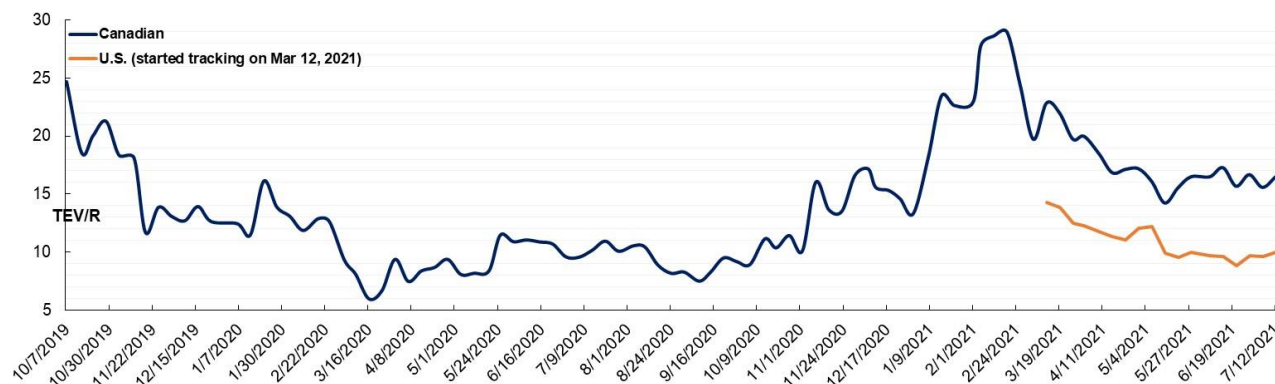
Canadian Big Four		Average	24.4	23.3
WEED, ACB, TLRY, CRON		Median	19.8	19.0

Implied Premium Over U.S. Big Four (Median)	115%	93%
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Source: S&P Capital IQ, FRC

The following chart shows the average EV/R of the companies we track in both countries:

Average EV/R



Source: S&P Capital IQ, FRC

Canadian Retail Cannabis Pricing

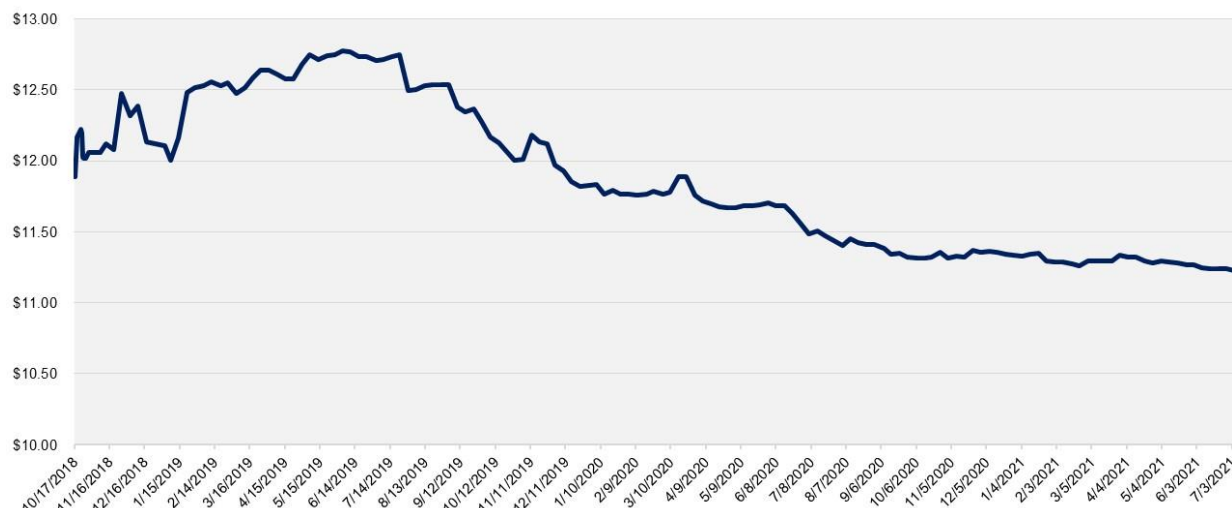
Province (As of 2021/07/12)	Average Price per Gram	Average Price per Gram THC	Average Price per Gram CBD	# of Products	Min. Price	Max. Price
B.C.	\$ 9.69	\$ 9.78	8.45	245	\$ 3.53	\$ 15.71
Ontario	\$ 9.43	\$ 9.59	7.95	361	\$ 3.57	\$ 22.66
Quebec	\$ 9.28	\$ 9.29	9.23	265	\$ 4.83	\$ 21.68
Alberta	\$ 10.80	\$ 10.79	10.81	399	\$ 3.14	\$ 22.00
N.B.	\$ 9.34	\$ 9.48	7.76	198	\$ 3.57	\$ 15.99
P.E.I.	\$ 9.61	\$ 9.63	9.34	187	\$ 4.40	\$ 23.30
Newfoundland	\$ 9.94	\$ 9.89	10.32	164	\$ 4.46	\$ 15.40
Yukon	\$ 16.33	\$ 15.13	13.95	4	\$ 13.68	\$ 13.95
N.S.	\$ 10.04	\$ 10.09	9.50	193	\$ 5.14	\$ 42.85
Nunavut	\$ 13.15	\$ 13.35	12.41	32	\$ 9.43	\$ 17.91
Northwest Territories	\$ 14.68	\$ 12.65		2	\$ 12.08	\$ 17.28
Manitoba	\$ 11.42	\$ 11.36	11.55	367	\$ 4.87	\$ 23.57
Saskatchewan	\$ 12.04	\$ 12.04	12.07	262	\$ 4.40	\$ 38.50
CANADA	\$ 11.21	\$ 11.00	10.28			

Province (As of 2021/07/5)	Average Price per Gram	Average Price per Gram THC	Average Price per Gram CBD	# of Products	Min. Price	Max. Price	Max. Price
B.C.	\$ 9.69	\$ 9.77	8.45	238	\$ 3.53	\$ 15.71	\$ 15.71
Ontario	\$ 9.44	\$ 9.60	7.95	360	\$ 3.57	\$ 22.66	\$ 22.66
Quebec	\$ 9.31	\$ 9.31	9.23	265	\$ 4.85	\$ 21.68	\$ 21.68
Alberta	\$ 10.86	\$ 10.86	10.81	398	\$ 3.52	\$ 22.00	\$ 22.00
N.B.	\$ 9.35	\$ 9.49	7.56	231	\$ 3.57	\$ 16.28	\$ 16.28
P.E.I.	\$ 9.61	\$ 9.62	9.34	185	\$ 4.40	\$ 23.30	\$ 23.30
Newfoundland	\$ 9.94	\$ 9.89	10.32	164	\$ 4.46	\$ 15.40	\$ 15.40
Yukon	\$ 16.33	\$ 15.13	13.95	4	\$ 13.68	\$ 13.95	\$ 22.28
N.S.	\$ 10.05	\$ 10.10	9.50	192	\$ 5.14	\$ 42.85	\$ 42.85
Nunavut	\$ 13.15	\$ 13.35	12.41	32	\$ 9.43	\$ 17.91	\$ 17.91
Northwest Territories	\$ 14.68	\$ 12.65		2	\$ 12.08	\$ 17.28	\$ 17.28
Manitoba	\$ 11.44	\$ 11.38	11.55	364	\$ 4.87	\$ 23.57	\$ 23.57
Saskatchewan	\$ 12.06	\$ 12.06	12.07	261	\$ 4.40	\$ 38.50	\$ 38.50
CANADA	\$ 11.22	\$ 11.02	10.26				

Source: Online Provincial Cannabis Stores, FRC

The average retail price per gram fell week-over-week from \$11.22 to \$11.21. The chart below shows the Canadian retail dried cannabis flower pricing trend:

Canadian Retail Dried Cannabis Flower Pricing

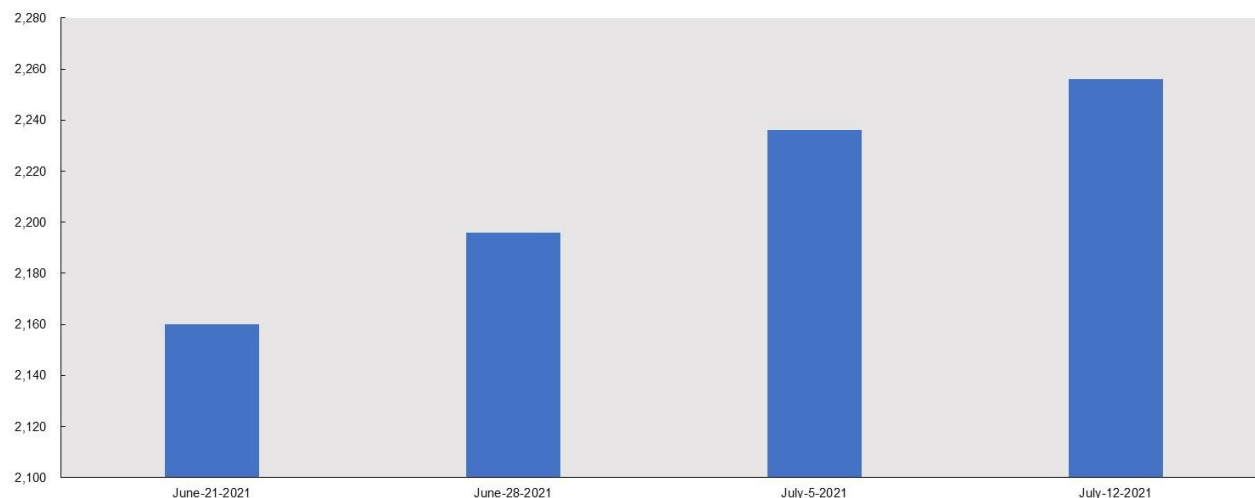


Source: Online Provincial Cannabis Stores, FRC

Canadian Retail Cannabis Stores

As of July 12, 2021, there are 2,256 retail cannabis stores, a week-over-week increase of 20 stores across Canada, including 13 in Ontario, and two in Manitoba.

Nationwide Store Count



	June-21-2021	June-28-2021	July-5-2021	July-12-2021		
Geographic Region	Store Count	Store Count	Store Count	Store Count	Population	Population / Store
Alberta	648	651	652	653	4,428,247	6,781
B.C.	359	362	362	364	5,120,184	14,066
Manitoba	93	93	101	103	1,379,121	13,390
N.B.	20	20	20	20	780,890	39,045
N.S.	25	25	25	25	978,274	39,131
Newfoundland	30	30	30	30	520,437	17,348
Northwest Territories	6	6	6	6	44,982	7,497
Nunavut					39,486	
Ontario	820	849	872	885	14,745,040	16,661
P.E.I.	4	4	4	4	158,717	39,679
Quebec	68	69	71	73	8,552,362	117,156
Saskatchewan	82	82	88	88	1,181,987	13,432
Yukon	5	5	5	5	41,293	8,259
CANADA	2,160	2,196	2,236	2,256	37,971,020	16,831

Source: Provincial Websites, FR

Weekly Psychedelic Commentary

Psychedelic Industry Performance

July 12, 2021

Company	YTD	1-Week	1-Year
COMPASS Pathways plc	-15%	0%	27%
Numinus Wellness Inc.	4%	36%	280%
Mind Medicine Inc.	21%	10%	944%
Seelos Therapeutics Inc.	88%	-2%	138%

AVERAGE	24%	11%	348%
MIN	-15%	-2%	27%
MAX	88%	36%	944%

Index	YTD	1-Week	1-Year
PSYK	-6%	6%	-6%

Source: TMX Money, FRC

The psychedelic industry is experiencing a newfound renaissance as investors are beginning to acknowledge the advantages of psychedelic drugs in treating mental health conditions. Recent developments include: California senate's approval to legalize possession of psychedelics, Atai Life Sciences' (NASDAQ: ATAI) IPO, and a report

highlighting the benefits of treating depression with psilocybin, published by the New England Journal of Medicine.

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