



## Fundamental Research Corp.

*Investment Analysis for Intelligent Investors*

# Analysts' Ideas of the Week

FRC Top Pick Getting Acquired by AngloGold

July 19, 2021

[www.researchfrc.com](http://www.researchfrc.com)

## Reddit Discussed Stocks

Last week's pick, Cineplex Inc. (TSX: CGX), went from \$15.91 on Monday, to a high of \$16.09 on Tuesday (up 1.1%). The Electric Vehicle sector remains the most actively discussed among retail investors, followed by cryptos. This week, we are observing strong retail sentiment around Roku Inc. (NASDAQ: ROKU). 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 19, 2021

Company	Ticker	Sector
Roku Inc.	ROKU	Entertainment

Source: FRC

## FRC Top Picks

The following table shows last week's top five performers among our Top Picks, including four junior resource companies (three gold and one graphite), and one REIT. The top performer, Corvus Gold (TSX: KOR), was up 21% on receipt of a **non-binding offer from AngloGold Ashanti** (NYSE: AU). We had speculated this outcome, back in May 2021, in a note titled - [Does AngloGold Ashanti's Financing Signal an M&A Event for this Gold Junior?](#). AU is offering \$4 per share, which is 7% higher than our fair value estimate of \$3.75. We had initiated coverage on KOR in 2017, when shares were trading at \$0.84, implying a total return of 376%.

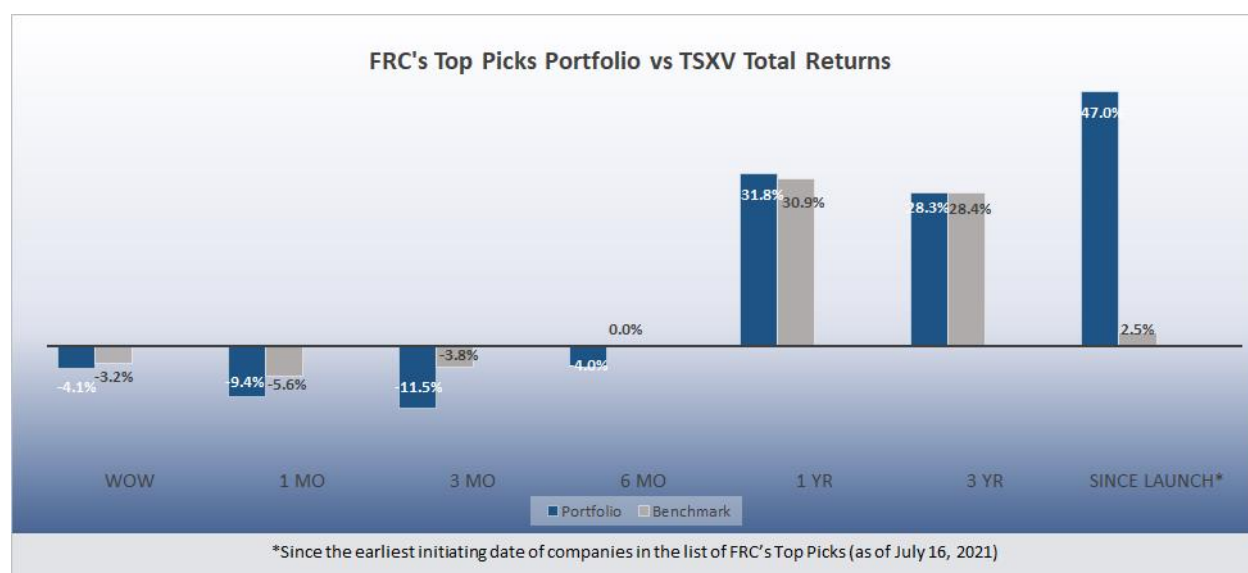
### Top Five Performers Last Week

Top 5 Weekly Performers	WoW Returns
Corvus Gold Inc. (KOR.TO)	21.4%
South Star Battery Metals Corp. (STS.V)	9.1%
European Residential REIT (ERE-UN.TO)	5.2%
Contango Ore, Inc. (CTGO)	4.0%
Cornerstone Capital Resources Inc. (CGP.V)	3.1%

\* Past performance is not indicative of future performance (as of July 16, 2021)

Source: FRC

**Companies in our Top Picks list are up 47% on average since we initiated coverage vs 3% for the benchmark (TSXV).**



### Performance by Sector

Total Return	WoW	1 Mo	3 Mo	6 Mo	1 Yr	3 Yr	Since Launch*
Mining	-3.1%	-9.2%	-7.7%	-8.1%	31.6%	38.3%	75.4%
Cannabis	-6.6%	-17.7%	-43.8%	9.9%	46.4%	N/A	4.4%
Technology	-6.2%	-12.0%	-18.0%	0.4%	68.6%	8.5%	7.4%
Special Situations	-5.9%	16.6%	-2.3%	15.9%	23.5%	12.8%	14.3%
Private Companies	N/A	N/A	N/A	N/A	6.9%	20.4%	23.9%
<b>Portfolio (Total)</b>	<b>-4.1%</b>	<b>-9.4%</b>	<b>-11.5%</b>	<b>-4.0%</b>	<b>31.8%</b>	<b>28.3%</b>	<b>47.0%</b>
<b>Benchmark<sup>2</sup> (Total)</b>	<b>-3.2%</b>	<b>-5.6%</b>	<b>-3.8%</b>	<b>0.0%</b>	<b>30.9%</b>	<b>28.4%</b>	<b>2.5%</b>
Portfolio (Annualized)	-	-	-	-	31.8%	8.7%	5.2%
Benchmark <sup>2</sup> (Annualized)	-	-	-	-	30.9%	8.7%	0.3%

1. Since the earliest initiating date of companies in the list of Top Picks (as of July 16, 2021)

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

Source: FRC

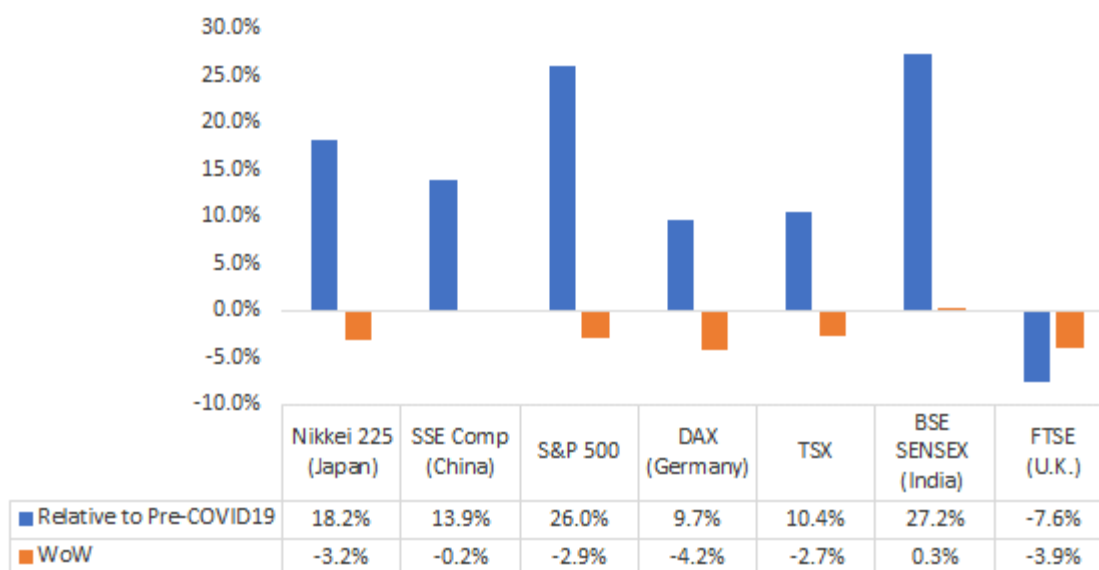
Our complete list of top picks (updated weekly) can be viewed [here](#).

### Weekly Mining Commentary

Global equity indices we track were down 2.4% last week amid a rebound in COVID-19 cases due to the Delta variant.

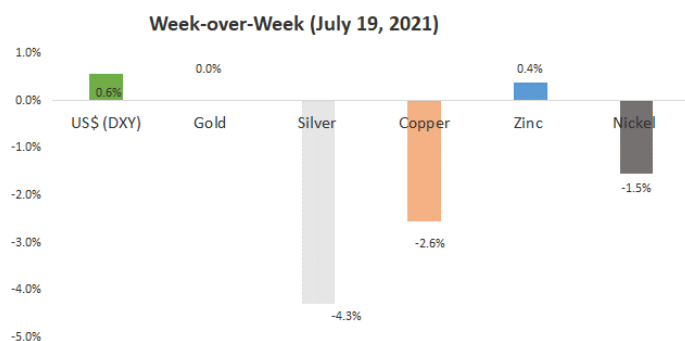


### Current Vs Pre COVID-19 (as of July 19, 2021)

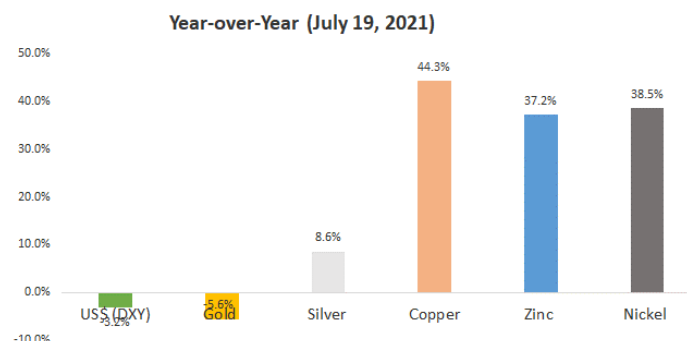


Source: FRC / Various

**Prices of mainstream metals retreated as well.** Zinc prices held ground due to inventory declines on both the LME and the SHFE (Shanghai).

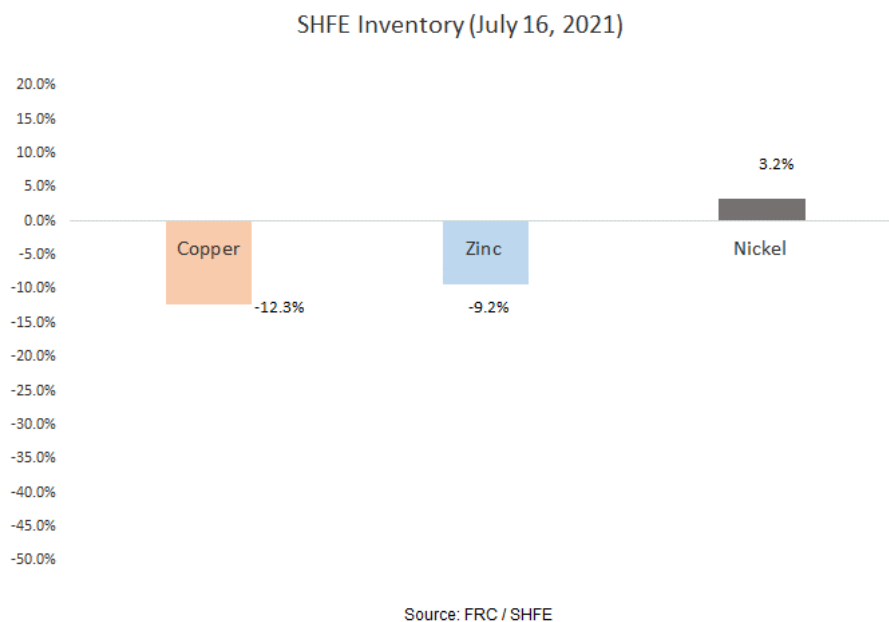
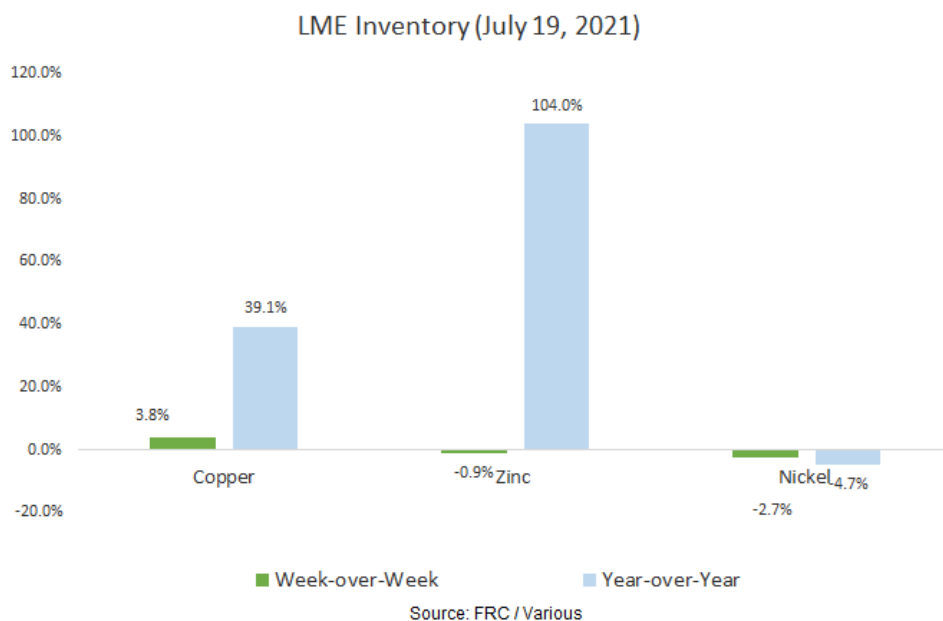


Source: FRC / Various



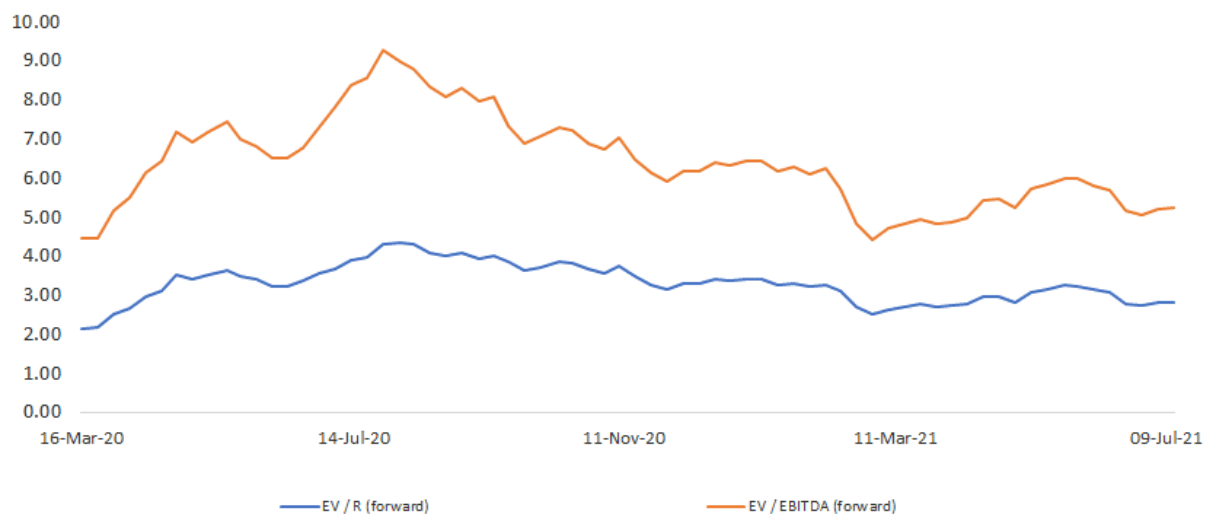
Source: FRC / Various

Source: FRC / Various



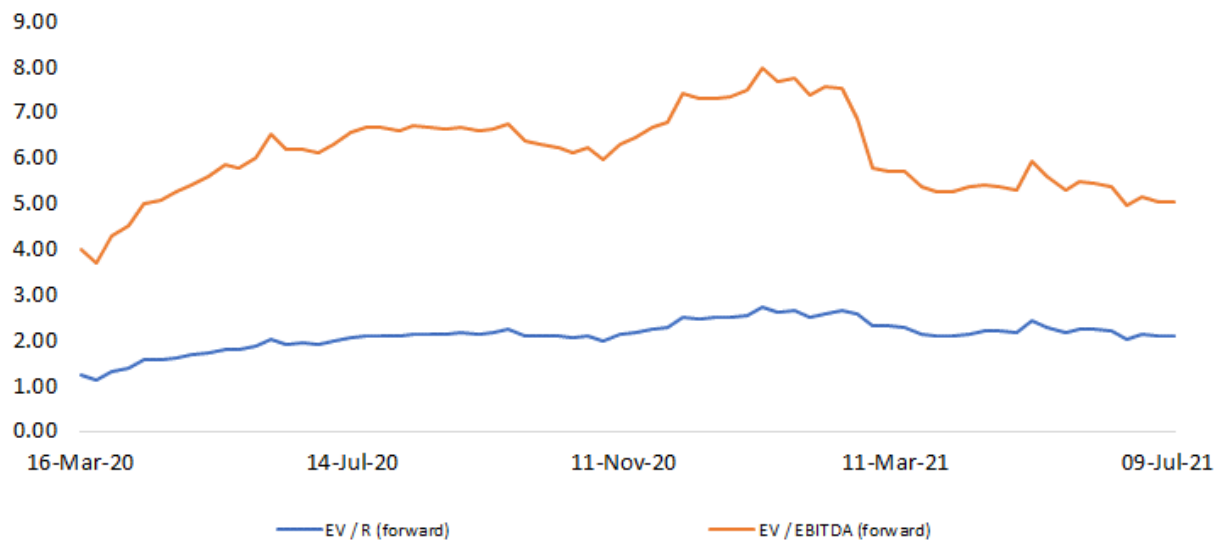
**Valuations of gold producers were down 2% WoW; base metal producers were down 7%.**

### Gold Producers



Source: S&P Capital IQ & FRC

### Base Metal Producers



Source: S&P Capital IQ & FRC

Gold Producers		05-Jul-21		12-Jul-21		19-Jul-21	
		EV / R (forward)	EV / EBITDA (forward)	EV / R (forward)	EV / EBITDA (forward)	EV / R (forward)	EV / EBITDA (forward)
1	Barrick	3.61	6.60	3.65	6.69	3.58	6.59
2	Newmont	4.03	7.56	4.06	7.65	3.92	7.39
3	Polyus	5.73	8.17	5.60	7.98	5.57	7.94
4	Agnico Eagle	4.22	8.36	4.19	8.35	4.16	8.34
5	AngloGold	1.99	3.52	2.08	4.04	2.06	3.99
6	Kinross Gold	2.32	5.25	2.28	5.16	2.23	5.08
7	Gold Fields	2.31	4.15	2.37	4.25	2.38	4.29
8	Sibanye	1.02	2.12	1.03	2.18	0.94	1.98
9	Yamana	2.92	5.08	2.86	4.99	2.80	4.93
10	B2Gold	2.34	3.66	2.25	3.53	2.15	3.41
11	Alamos	3.12	5.92	3.11	5.93	3.07	6.03
12	Harmony	0.81	2.68	0.83	2.80	0.86	2.90
13	Eldorado Gold	2.00	4.37	1.96	4.30	1.81	4.00
<b>Average (excl outliers)</b>		<b>2.80</b>	<b>5.19</b>	<b>2.79</b>	<b>5.22</b>	<b>2.73</b>	<b>5.14</b>
Min		0.81	2.12	0.83	2.18	0.86	1.98
Max		5.73	8.36	5.60	8.35	5.57	8.34

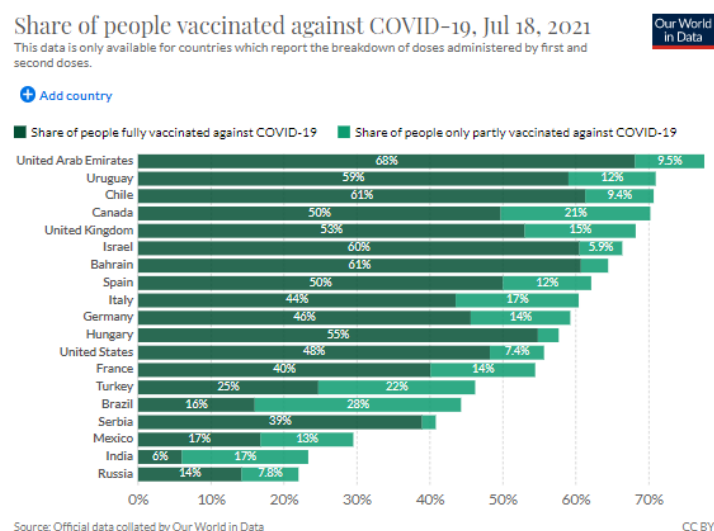
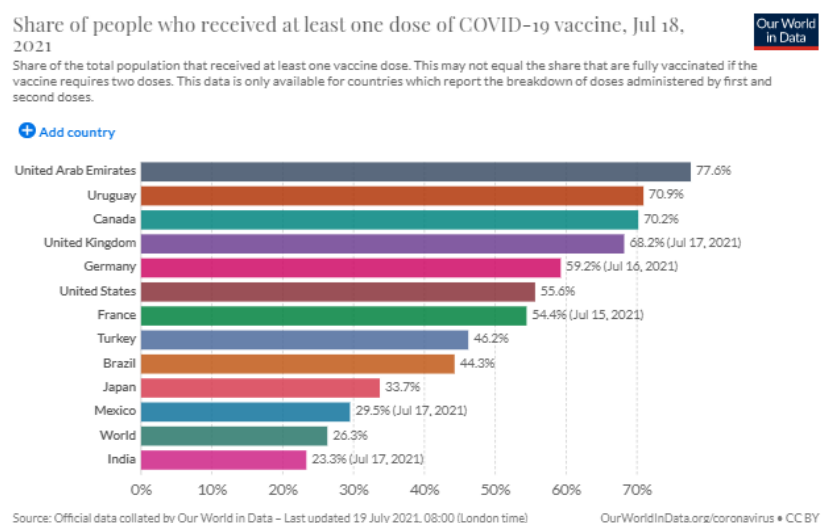
Base Metal Producers		EV / R (forward)		EV / EBITDA (forward)		EV / R (forward)	
		EV / R (forward)		EV / EBITDA (forward)		EV / R (forward)	
1	BHP Group	3.24	5.24	3.35	5.40	3.19	5.13
2	Rio Tinto	2.26	3.63	2.25	3.59	2.11	3.33
3	South32	1.62	6.20	1.62	6.15	1.53	5.87
4	Glencore	0.43	4.98	0.43	4.88	0.41	4.64
5	Anglo American	1.44	3.14	1.42	3.06	1.32	2.82
6	Teck Resources	2.05	5.18	2.07	5.22	1.96	4.89
7	First Quantum	3.60	6.96	3.60	7.02	3.18	6.22
<b>Average (excl outliers)</b>		<b>2.09</b>	<b>5.05</b>	<b>2.11</b>	<b>5.05</b>	<b>1.96</b>	<b>4.70</b>
Min		0.43	3.14	0.43	3.06	0.41	2.82
Max		3.60	6.96	3.60	7.02	3.19	6.22

Source: S&amp;P Capital IQ &amp; FRC

Source: S&amp;P Capital IQ &amp; FRC

**Seven (six last week) out of the top 15 hardest hit nations** (including the U.S., France, the U.K., Spain, Russia, Iran, and Indonesia) are experiencing a spike in new COVID-19 cases. In the U.S., new cases increased from 15k per day last month, to 41k last Friday (still well below the highs of over 300k earlier this year). The U.K is also experiencing a major surge - new cases were up from 3k per day at the end of May, to a high of 54k last Saturday (vs 67k earlier this year).

70.2% of Canadians have received at least one dose vs 69.4% at the same time last week. 50% of Canadians are fully vaccinated (previously 43%) vs 53% in the U.K. (51%), and 48% in the U.S. (48%).



As mentioned in our note last week, vaccine hesitancy in North America and Europe (ranging between 20% and 30% of population depending on the country) will result in **increased vaccine supply to under-served countries in Asia and South America**. We believe the recent surge has increased uncertainties, and will likely push out the global economic recovery by a few weeks.

We are maintaining our price forecasts. **Check out our latest report on copper [here](#) for our supply/demand/price forecasts.**



	Current Price	FRC Forecasts	
		2021E	Long-Term (2024+)
Gold (US\$/oz)	\$1,806	\$1,850	\$1,400
Silver (US\$/oz)	\$25.05	\$25.00	\$18.00
Copper (US\$/lb)	\$4.20	\$3.75	\$3.00
Zinc (US\$/lb)	\$1.35	\$1.20	\$1.10
Nickel (US\$/lb)	\$8.27	\$7.50	\$8.00

Source: FRC

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:
<a href="#">Gran Colombia Gold Corp</a>	TSX: GCM	\$4.57	\$9.46
<b>PR Title</b> Announces second quarter 2021 production.		<b>FRC Opinion</b> <b>Positive</b> – Q2 gold production was up 18% YoY. H1 production was up 7%. We are maintaining our 2021 forecast at 210 Koz.	
Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:
<a href="#">Golden Minerals Corp.</a>	NYSE: AUMN	US\$0.53	US\$1.07
<b>PR Title</b> Produces 3,452 ounces gold and 12,323 ounces silver in Q2 2021.		<b>FRC Opinion</b> <b>Positive</b> – Q2 was the first full quarter of production at Rodeo. We are maintaining our production forecasts at 13 Koz in 2021, and 14.5 Koz in 2022.	

<b>Company Name:</b>	<b>Ticker Symbol</b>	<b>Current Share Price:</b>	<b>FRC Fair Value Estimate:</b>
<a href="#">Blue Lagoon Resources</a>	CSE: BLLG	\$0.64	\$1.03
<b>PR Title</b> Completes a \$8.13M private placement lead by a strategic investment by Crescat Capital for \$1.5M.		<b>FRC Opinion</b> <b>Positive</b> – This financing, which was 48% over subscribed, is a strong vote of confidence on Dome Mountain. BLLG is now fully funded for exploration. Toll milling partner, Nicola Mining (TSXV: NIM), has started processing the material received from Dome Mountain.	

<b>Company Name:</b>	<b>Ticker Symbol</b>	<b>Current Share Price:</b>	<b>FRC Fair Value Estimate:</b>
<a href="#">Doubleview Gold Corp.</a>	TSXV: DBG	\$0.73	N/A
<b>PR Title</b> Doubleview Gold and the Tahltan Central Government enter into a communications and engagement agreement.		<b>FRC Opinion</b> <b>Positive</b> – This renewed agreement is a positive development for future development of the Hat project. We are working on an update report. We are also temporarily retracting our fair value estimate as our previous estimate was overly conservative, and based on just 10% of our preliminary resource estimate (540 Mt at 0.57 gpt AuEq) on Hat.	

<b>Company Name:</b>	<b>Ticker Symbol</b>	<b>Current Share Price:</b>	<b>FRC Fair Value Estimate:</b>
<a href="#">Cora Gold Limited</a>	AIM: CORA	£0.10	£0.18
<b>PR Title</b> Zone A, Sanankoro gold project, continues to deliver high grade shallow oxide drill results.		<b>FRC Opinion</b> <b>Positive</b> - These high-grade results (especially 15m @ 5.43 g/t Au from 46m, and 13m @ 4.03 g/t Au from 26m) are promising, and continue to show resource expansion potential. The current resource is based on just 25% of an identified strike length of 40 km.	

<b>Company Name:</b>	<b>Ticker Symbol</b>	<b>Current Share Price:</b>	<b>FRC Fair Value Estimate:</b>	<b>Date of PR:</b>
<a href="#">New Age Metals Inc.</a>	TSXV: NAM	\$0.115	\$0.39	
<b>PR Title</b> Provides an update on the ongoing environmental baseline at the River Valley Palladium project.		<b>FRC Opinion</b> <b>Neutral</b> – PFS has been pushed from end of H1-2022, to H2-2022. NAM's MCAP is \$25M. A PEA, completed in June 2019, had returned an AT-NPV5% of \$300M, based on US\$1,440/oz Pd. Palladium is currently at US\$2,530/oz.		

<b>Company Name:</b>	<b>Ticker Symbol</b>	<b>Current Share Price:</b>	<b>FRC Fair Value Estimate:</b>	
<a href="#">Vista Gold Corp.</a>	NYSE: VGZ	US\$0.89	US\$1.93	
<b>PR Title</b> Announces positive drill results at its Mt Todd gold project.		<b>FRC Opinion</b> <b>Positive</b> - 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 MCAP is US\$107M. We will be publishing an update report next month.		

<b>Company Name:</b>	<b>Ticker Symbol</b>	<b>Current Share Price:</b>	<b>FRC Fair Value Estimate:</b>	
<a href="#">Tudor Gold Corp.</a>	TSXV: TUD	\$2.29	\$5.29	
<b>PR Title</b> Announces proposed spin-off of the Crown property.		<b>FRC Opinion</b> <b>Positive</b> - Shareholders will receive approximately 0.25 of the new entity for every common share of TUD. We view this as a bonus payment as our fair value estimate does not account for any value from the early-stage Crown property. This deal also allows TUD to focus exclusively on its flagship Treaty Creek project, which holds one of the largest undeveloped gold resource estimates in the Americas.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:
<a href="#">Eskay Mining Corp.</a>	TSXV: ESK	\$2.56	NA
<b>PR Title</b> Encounters extensive stockwork feeder mineralization at the Jeff target.		<b>FRC Opinion</b> <b>Positive</b> – We are expecting high-grades from this drill program. ESK is pursuing an aggressive 30,000+ m drill program on multiple targets across its 526 sq km of land holdings.	

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:
<a href="#">Falcon Gold Corp</a>	TSXV: FG	\$0.09	\$0.29
<b>PR Title</b> Acquires strategic land position in Hope Brook, adjacent to First Mining (TSX: FF), Sokoman (TSXV: SIC), and Marvel Discovery (TSXV: MARV).		<b>FRC Opinion</b> <b>Positive</b> – This relatively underexplored region in Newfoundland has been attracting interest in the past 12 months as multiple companies have returned highly encouraging results. Falcon's land package is strategically located.	

## Financials, Technology, Energy, and Special Situations

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:
<a href="#">Voyager Digital Ltd.</a>	CSE: VYGR	\$14.49	\$32.08
<b>PR Title</b> Announces record quarterly revenue with growth of over 65% from the previous quarter.		<b>FRC Opinion</b> <b>Positive</b> – Q4 (quarter ended June) revenue of \$105M, implies FY2021 revenue of \$171M, which is 20% higher than our forecast. Funded accounts were 665k at the end of Q4, 11% higher than our forecast. VYGR's shares price is down 22% in the last month. Although we expect shares of crypto companies to remain volatile in the near-term, we believe the recent dip is attractive.	

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:
<a href="#">Banxa Holdings Inc.</a>	TSXV: BNXA	\$2.89	\$11.76
<b>PR Title</b> BANXA reports a record A\$687M in transaction volume for financial year ended June 2021.		<b>FRC Opinion</b> <b>Positive</b> – We are expecting record Q4 revenue. BNXA’s shares are down 17% in the last month. Similar to VYGR, we expect near-term price volatility, and believe the recent dip is attractive.	

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:
<a href="#">Timbercreek Financial</a>	TSX: TF	\$9.42	\$10.34
<b>PR Title</b> Announces exercise of over-allotment option in connection with bought deal offering of convertible debentures (5.25%).		<b>FRC Opinion</b> <b>Positive</b> - \$55M raised in this offering; funds will be used to pay down its revolving credit facility, and redeem convertible debentures (5.45% p.a.) due in March 2022. Lower cost of capital enhances shareholders’ returns. We are expecting a 7.4% yield for investors this year.	

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:
<a href="#">Hello Pal International Inc.</a>	CSE: HP	\$0.65	\$2.67
<b>PR Title</b> Announces record \$2.8M monthly revenue for June 2021 and reports on crypto revenue and profit for first time.		<b>FRC Opinion</b> <b>Positive</b> – Pleased to see its flagship business report record revenue. Although China has been cracking down on crypto mining operations, we are pleased to see HP’s crypto mining division generate revenue and profits in June (figures undisclosed). We remain cautious on the long-term viability of this business segment.	



<b>Company Name:</b>	<b>Ticker Symbol</b>	<b>Current Share Price:</b>	<b>FRC Fair Value Estimate:</b>
<a href="#">TAAT Global Alternatives Inc.</a>	CSE: TAAT	\$3.06	\$5.37
<b>PR Title</b> New TAAT facilities in Las Vegas to begin operation in August.		<b>FRC Opinion</b> <b>Positive</b> – This expansion shows that management is expecting demand to ramp up in the near-term. We are expecting record revenue in Q3.	

<b>Company Name:</b>	<b>Ticker Symbol</b>	<b>Current Share Price:</b>	<b>FRC Fair Value Estimate:</b>
<a href="#">Diginex Limited.</a>	NASDAQ: EQOS	US\$5.12	US\$24.70
<b>PR Title</b> Announces first quarter of fiscal year 2022 financial result.		<b>FRC Opinion</b> <b>Positive</b> – Q1 revenue (up 733% YoY) was in line with our expectations. We will be publishing an update report shortly.	

### Cannabis

<b>Company Name:</b>	<b>Ticker Symbol</b>	<b>Current Share Price:</b>	<b>FRC Fair Value Estimate:</b>
<a href="#">Pure Extracts Technologies Corp.</a>	CSE: PULL	\$0.38	\$0.90
<b>PR Title</b> Signs purchase order with private Saskatchewan cannabis distributor.		<b>FRC Opinion</b> <b>Positive</b> - Our revenue estimates do not consider revenue from sales of in-house brands. We will start incorporating once the company discloses initial sales figures.	

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:
<a href="#">THC BioMed Intl Ltd.</a>	CSE: THC	\$0.11	\$0.41
<b>PR Title</b> Announces Health Canada licence of three new rooms at Acland Rd. facility.		<b>FRC Opinion</b> <b>Positive</b> – The new rooms include two rooms for production of cannabis 2.0 products, and one for storage. We are pleased to see the company expand its production capabilities.	

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:
<a href="#">Ayurcann Holdings Corp.</a>	CSE: AYUR	\$0.24	\$0.71
<b>PR Title</b> Signs new partnership with California Brand, Green Bee Botanicals, for the Canadian market.		<b>FRC Opinion</b> <b>Positive</b> – This new partnership has potential to offer recurring annual revenue for AYUR. Details of the partnership and potential revenue were not disclosed.	

## Weekly Cannabis Commentary

### Cannabis Industry Performance

July 19, 2021

U.S. Companies	YTD	1-Week	1-Year
Curaleaf Holdings Inc.	-4%	-14%	65%
Trulieve Cannabis Corp.	-2%	-12%	120%
Green Thumb Industries Inc.	17%	-12%	127%
Cresco Labs Inc.	-1%	-13%	102%

Canadian Companies	YTD	1-Week	1-Year
Aurora Cannabis Inc.	-26%	-19%	-36%
Canopy Growth Corp.	-26%	-15%	12%
Cronos Group Inc.	-6%	-14%	8%
Tilray Inc.	-10%	-19%	-11%
HEXO Corp.	5%	-17%	42%
Organigram Holdings Inc.	73%	-16%	80%

Canadian Average	2%	-17%	16%
U.S. Average	3%	-13%	104%

Indices			
Canadian	YTD	1-Week	1-Year
HMMJ	13%	-11%	34%
MCAN	13%	-10%	34%
XCAN	2%	-14%	14%
U.S.	YTD	1-Week	1-Year
MSOS	-6%	-14%	50%

Source: FRC

Cannabis stocks across the U.S. and Canada pulled back amid overall weakness in equity markets. U.S. cannabis stocks declined despite the unveiling of a federal cannabis legalization bill. The bill, deemed to remove cannabis as a controlled substance and legalize marijuana on a federal level, has yet to receive sufficient votes to pass into law.

### Valuation

As of July 19, 2021, the Canadian big four LPs were trading at an 89% premium (down from 93% in previous week) over their U.S. peers. **The gap is narrowing as U.S. cannabis stocks have been outperforming their Canadian peers in recent weeks.**

July 12, 2021				July 19, 2021	
Canadian Companies	Ticker	TEV/Revenue	TEV/EBITDA	TEV/Revenue	TEV/EBITDA
Aurora Cannabis Inc.	TSX: ACB	7.6	NM	6.6	NM
Canopy Growth Corp.	TSX: WEED	19	NM	16.9	NM
Cronos Group Inc.	TSX: CRON	34.8	NM	28.5	NM
Tilray Inc.	NASDAQ: TRLRY	16	NM	14.1	NM
HEXO Corp.	NYSE: HEXO	8.2	NM	7.4	NM
Organigram Holdings Inc.	TSX: OGI	13.5	NM	10.2	NM

<b>AVERAGE</b>	14.9	NM	14.0	NM
<b>MEDIAN</b>	13.5	NM	10.2	NM
<b>MINIMUM</b>	5.0	NM	5.0	NM
<b>MAXIMUM</b>	34.8	NM	28.5	NM

U.S. Companies	Ticker	TEV/Revenue	TEV/EBITDA	TEV/Revenue	TEV/EBITDA
Curaleaf Holdings Inc.	OTC: CURLF	12.9	44.2	12.3	41.9
Trulieve Cannabis Corp.	OTC: TCNNF	8.1	17.2	7.3	15.6
Green Thumb Industries Inc.	OTC: GTBIF	11.6	31.7	10.6	29.0
Cresco Labs Inc.	OTC: CRLBF	7.2	24	6.9	22.9

<b>AVERAGE</b>	10.0	29.3	9.3	27.4
<b>MEDIAN</b>	9.9	27.9	9.0	26.0
<b>MINIMUM</b>	7.2	17.2	6.9	15.6
<b>MAXIMUM</b>	12.9	44.2	12.3	41.9

**Canadian Big Four**  
WEED, ACB, TRLRY, CRON

<b>Average</b>	23.3
<b>Median</b>	19.0

19.8
16.9

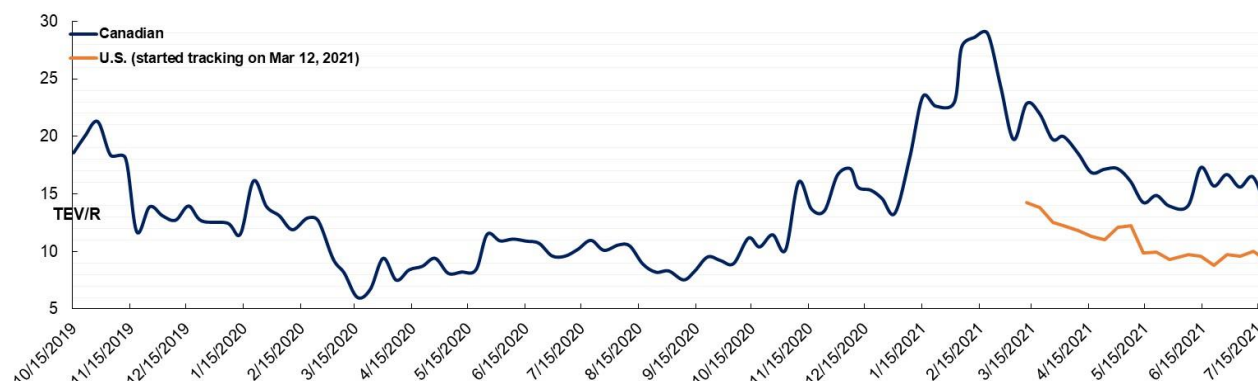
**Implied Premium Over U.S. Big Four (Median)** **93%**

**89%**

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 2021/07/19)	Average Price per Gram	Average Price per Gram THC	Average Price per Gram CBD	# of Products	Min. Price	Max. Price
B.C.	\$ 9.66	\$ 9.73	\$ 8.45	247	\$ 3.53	\$ 15.71
Ontario	\$ 9.40	\$ 9.56	\$ 7.88	362	\$ 3.57	\$ 22.66
Quebec	\$ 9.27	\$ 9.28	\$ 9.23	267	\$ 4.83	\$ 21.68
Alberta	\$ 10.78	\$ 10.77	\$ 10.81	402	\$ 3.14	\$ 22.00
N.B.	\$ 9.38	\$ 9.52	\$ 7.76	201	\$ 3.57	\$ 15.99
P.E.I.	\$ 9.61	\$ 9.63	\$ 9.34	187	\$ 4.40	\$ 23.30
Newfoundland	\$ 10.01	\$ 9.96	\$ 10.32	169	\$ 4.46	\$ 15.40
Yukon	\$ 16.33	\$ 15.13	\$ 13.95	4	\$ 13.68	\$ 13.95
N.S.	\$ 10.01	\$ 10.05	\$ 9.50	193	\$ 5.14	\$ 42.85
Nunavut	\$ 13.15	\$ 13.35	\$ 13.41	32	\$ 9.43	\$ 17.91
Northwest Territories	\$ 14.68	\$ 12.65		2	\$ 12.08	\$ 17.28
Manitoba	\$ 11.36	\$ 11.28	\$ 11.55	371	\$ 4.87	\$ 23.57
Saskatchewan	\$ 12.05	\$ 12.05	\$ 12.07	264	\$ 4.40	\$ 38.50
<b>CANADA</b>	<b>\$ 11.21</b>	<b>\$ 11.00</b>	<b>\$ 10.36</b>			

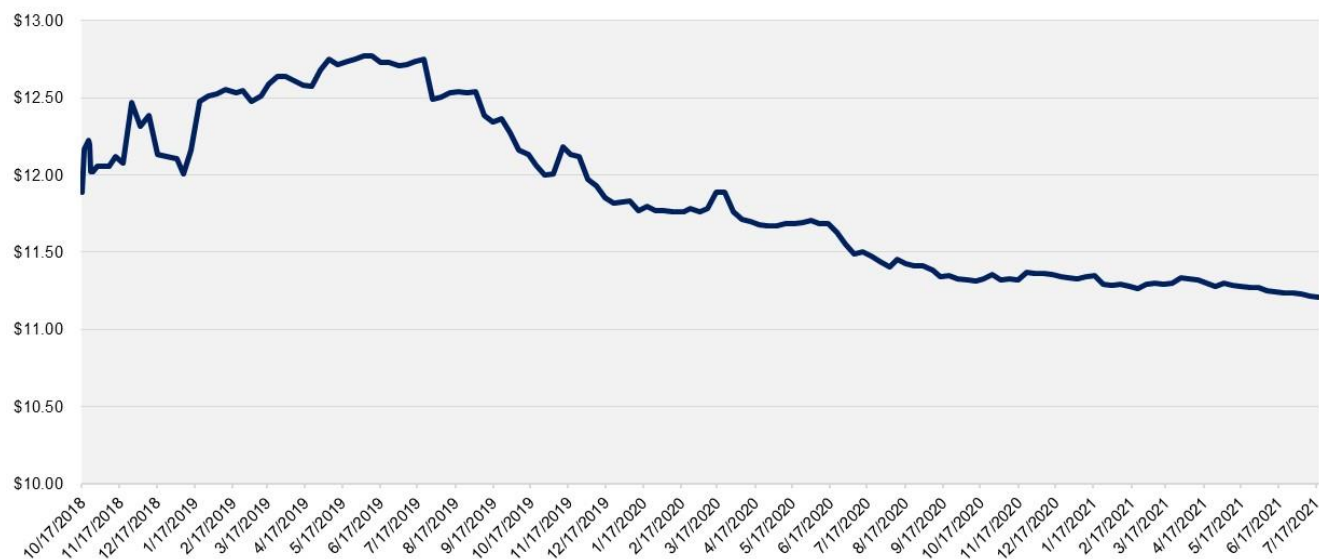
Province (As of 2021/07/12)	Average Price per Gram	Average Price per Gram THC	Average Price per Gram CBD	# of Products	Min. Price	Max. Price	Max. Price
B.C.	\$ 9.69	\$ 9.78	\$ 8.45	245	\$ 3.53	\$ 15.71	\$ 15.71
Ontario	\$ 9.43	\$ 9.59	\$ 7.95	361	\$ 3.57	\$ 22.66	\$ 22.66
Quebec	\$ 9.28	\$ 9.29	\$ 9.23	265	\$ 4.83	\$ 21.68	\$ 21.68
Alberta	\$ 10.80	\$ 10.79	\$ 10.81	399	\$ 3.14	\$ 22.00	\$ 22.00
N.B.	\$ 9.34	\$ 9.48	\$ 7.76	198	\$ 3.57	\$ 15.99	\$ 16.28
P.E.I.	\$ 9.61	\$ 9.63	\$ 9.34	187	\$ 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.	\$ 10.04	\$ 10.09	\$ 9.50	193	\$ 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	\$ 11.42	\$ 11.36	\$ 11.55	367	\$ 4.87	\$ 23.57	\$ 23.57
Saskatchewan	\$ 12.04	\$ 12.04	\$ 12.07	262	\$ 4.40	\$ 38.50	\$ 38.50
<b>CANADA</b>	<b>\$ 11.21</b>	<b>\$ 11.00</b>	<b>\$ 10.28</b>				

Source: Online Provincial Cannabis Stores, FRC

The average retail price per gram was flat week-over-week at \$11.21. The chart below shows the Canadian retail dried cannabis flower pricing trend:



### Canadian Retail Dried Cannabis Flower Pricing

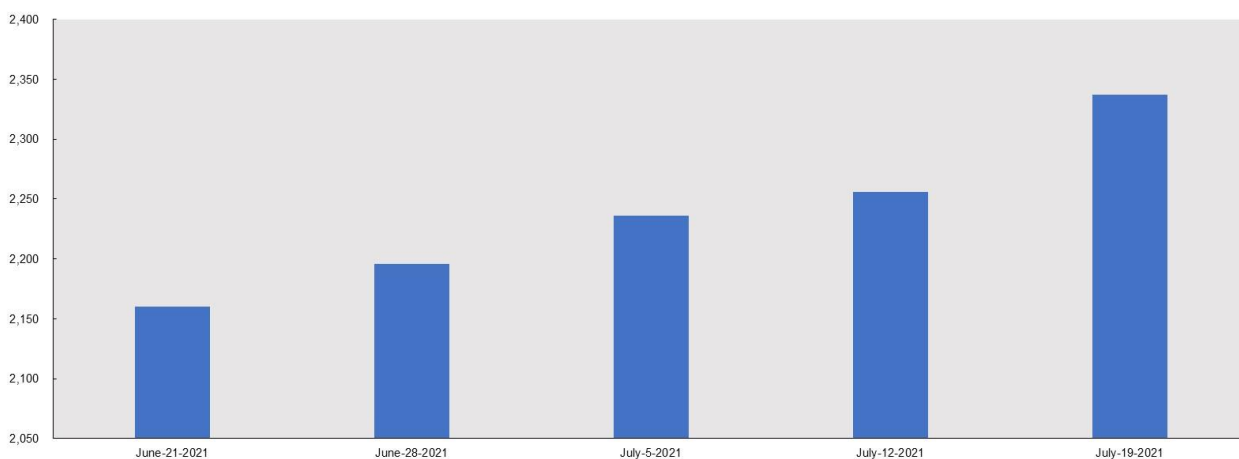


Source: Online Provincial Cannabis Stores, FRC

### Canadian Retail Cannabis Stores

As of July 19, 2021, there are 2,337 retail cannabis stores, a week-over-week increase of 81 stores across Canada, including 63 in Ontario. **Rising competition due to increasing store-count is driving down margins of retailers in ON.**

### Nationwide Store Count



	June-21-2021	June-28-2021	July-5-2021	July-12-2021	July-19-2021		
Geographic Region	Store Count	Store Count	Store Count	Store Count	Store Count	Population	Population / Store
Alberta	648	651	652	653	657	4,428,247	6,740
B.C.	359	362	362	364	367	5,120,184	13,951
Manitoba	93	93	101	103	105	1,379,121	13,134
N.B.	20	20	20	20	20	780,890	39,045
N.S.	25	25	25	25	25	978,274	39,131
Newfoundland	30	30	30	30	30	520,437	17,348
Northwest Territories	6	6	6	6	6	44,982	7,497
Nunavut						39,486	
Ontario	820	849	872	885	948	14,745,040	15,554
P.E.I.	4	4	4	4	4	158,717	39,679
Quebec	68	69	71	73	74	8,552,362	115,572
Saskatchewan	82	82	88	88	96	1,181,987	12,312
Yukon	5	5	5	5	5	41,293	8,259
<b>CANADA</b>	<b>2,160</b>	<b>2,196</b>	<b>2,236</b>	<b>2,256</b>	<b>2,337</b>	<b>37,971,020</b>	<b>16,248</b>

Source: Provincial Websites, FR

## Weekly Psychedelic Commentary

### Psychedelic Industry Performance

July 19, 2021

Company	YTD	1-Week	1-Year
COMPASS Pathways plc	-17%	-5%	24%
Atai Life Sciences N.V.	-13%	-15%	-13%
Numinus Wellness Inc.	-11%	-7%	277%
Mind Medicine Inc.	6%	-11%	854%
Seelos Therapeutics Inc.	73%	-5%	150%

<b>AVERAGE</b>	<b>8%</b>	<b>-9%</b>	<b>259%</b>
<b>MIN</b>	<b>-17%</b>	<b>-15%</b>	<b>-13%</b>
<b>MAX</b>	<b>73%</b>	<b>-5%</b>	<b>854%</b>

Index	YTD	1-Week	1-Year
PSYK	-10%	-5%	-10%

Source: TMX Money, FRC

Last week, Numinus Wellness (TSXV: NUMI) announced they have received Health Canada approval to begin their study on treating individuals suffering from PTSD using MDMA assisted therapy.

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