Fundamental Research Corp.
*Investment Analysis for Intelligent Investors*

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# Canadian Cannabis Industry Overview

**Investment Highlights**

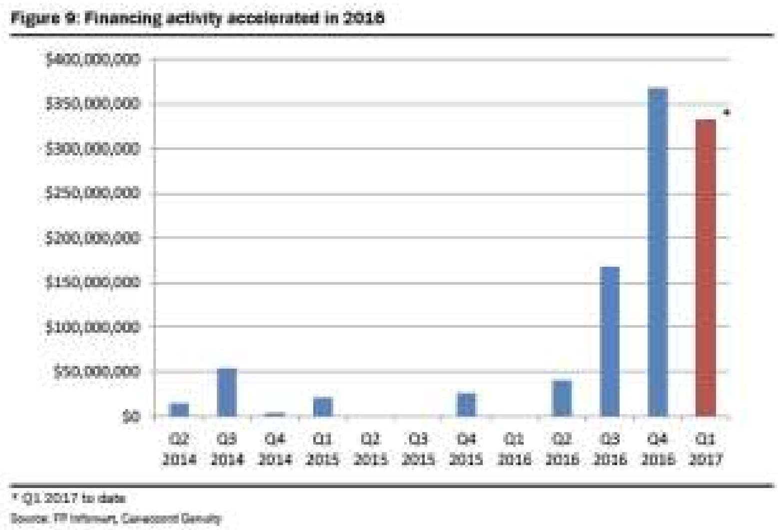
- With the 2018 deadline for national cannabis legalization fast approaching, the cannabis industry is receiving unprecedented investment.
- The medicinal marijuana market is growing quicker than forecasted, with patient registrations having grown by 1500% in less than 3 years and sales of dried medicinal marijuana growing by a CAGR of 167.13%.
- The recreational cannabis market, pending legalization, could grow to be an industry with an economic foot print in excess of $22.6 billion. By comparison, the alcohol industry was valued at $22.1 billion for 2015-2016.
- The North American recreational Cannabis market is expected to grow at a CAGR in excess of 20% past 2021.
- Valuations are increasing at a significant rate, reflecting positive market sentiment.
- Existing companies in the cannabis space that are licensed have first mover's advantage.

**Risks**

- Current valuations are dependent on the Trudeau government officially legalizing cannabis on time (July 2018).
- Provincial disputes regarding distribution and taxation could force a pushback in the official legalization date, hurting valuations.
- Outsized valuations indicate significant downside risk.
- Cannabis suppliers have little pricing power, due to the high level of substitution between legal and illegal cannabis.
- Supply is forecasted to be lower than demand- indicating that a significant portion of market share will remain with illicit cannabis suppliers.
- Lack of institutional funding in the cannabis space.

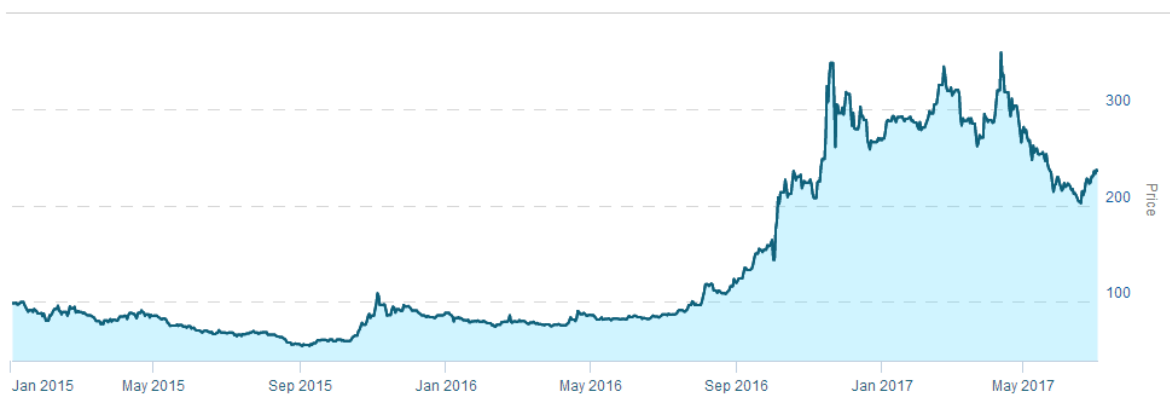
## Overview

As the Trudeau government prepares to do good upon its plans to legalize cannabis, investors have poured funding into the cannabis industry in anticipation of a “green rush”. With the many applications of cannabis becoming increasingly acknowledged by the general public, investors have begun to flock to the marijuana space ahead of the expected legalization date. Companies have also seen the dollar signs and have taken the opportunity to capitalize on the recent influx of cash, with Canaccord Genuity reporting that cannabis companies raised approximately $700 million in the 6 months between Q4 2016 and Q1 2017:




*Source: FP Infomart, Canaccord Genuity*

The explosion of capital in the sector has initiated the creation of brand new, cannabis focused investment products and funds. Horizons ETFs recently released their first ever ETF focused solely on publicly traded stocks in the cannabis space, whilst the emergence of cannabis focused funds such as Poseidon Asset Management have increased the institutional presence in the sector. The Canadian Marijuana Index, which tracks leading Canadian cannabis companies, has seen a dramatic increase from $98.63 to $236.3, representing a CAGR of 33.81% over 3 years.




*Source: The Marijuana Index*

The Trudeau government recently introduced a definitive timeline with regards to the nationwide legalization of cannabis, with plans to legalize the substance ahead of Canada day 2018. This report aims to provide prospective investors a forward view of the cannabis space, with the goal of determining the potential upside and investment risks associated with the nascent industry. Note that throughout this report, cannabis and marijuana will be used interchangeably.

***Product Overview***

Cannabis, or cannabis sativa, is a plant with Asian origins that is now found globally. It has a long history reaching back thousands of years, with its first medical use by the Chinese earlier than 2000 BC. In addition to medical uses, it has long been used recreationally due to the psychoactive component that can cause feelings of euphoria, relaxation and a sense of wellbeing.

There are a wide range of products that can be created or derived from cannabis, including but not restricted to:

- Dried marijuana products
- Oils
- Edibles (food products that contain variable amounts of cannabis)

Its consumption is done in various forms, most commonly through smoking, orally ingested through edibles or vaporized. The potency of cannabis derived products depends on the cannabinoid content. Of the many cannabinoids that make up the plant, the two most well-known are THC and CBD. THC is responsible for the psychoactive component commonly associated with cannabis and is the substance that has been most researched. CBD is non psychoactive, and whilst not as well-known or well-studied, is drawing attention from researchers interested in the cannabis space. Both THC and CBD have therapeutic effects and have been used in a medicinal capacity by Canadians since MMAR's (Marijuana Medical Access Regulations) inception in 2001. They have been used in a recreational capacity for far longer, though recreational use is illegal in Canada.

***Medicinal Market***

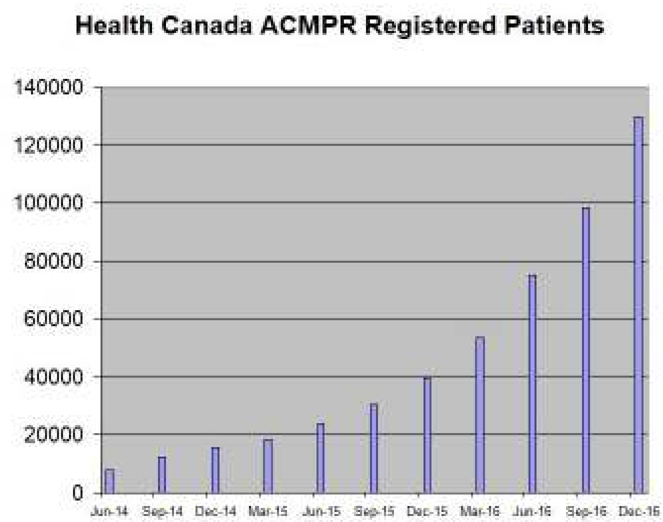
The Canadian medicinal cannabis market can be traced back to the landmark 2000 *R. V. Parker* in which the prohibition of cannabis was declared unconstitutional. A swathe of court rulings since then has culminated in the MMAR (Marijuana Medical Access Regulations), and subsequently, MMPR (Marijuana for Medical Purposes Regulations) regime. As of August 2016, the MMPR has been replaced with ACMPR (Access to Cannabis for Medical Purposes Regulations). The program authorizes the following activities for those who are deemed eligible for medicinal marijuana use:

- The use of dried marijuana leaves (flowers), up to a limit of 30 grams per person.
- As of recently, the use of cannabis oils.
- The growing of personal marijuana plants for eligible persons.
- Lays down the framework for the commercial production and distribution of cannabis by licensed producers.

ACMPR also authorizes select suppliers to produce cannabis via the issuance of licenses. A map showing the geographical distribution of these licenses is given below:


*Source: Health Canada*

Whilst plans for a July 2018 implementation of full cannabis legalization are in place, cannabis use in the interim period for all non-medical use is still illegal. Therefore, current usage of legal cannabis is likely to arise from use by registered users who comply with ACMPR. Cannabis as a medicinal product is increasingly being used by Canadians, with Health Canada reporting that close to 130,000 Canadians had registered under ACMPR by the end of 2016. This is a significant increase from the under 8,000 in mid-2014, representing a staggering increase of over 1500% in less than 3 years. Health Canada further predicts that this number will hit 400,000 by 2024- though current growth trends are out pacing estimates, leading some to believe that the actual number will be higher.

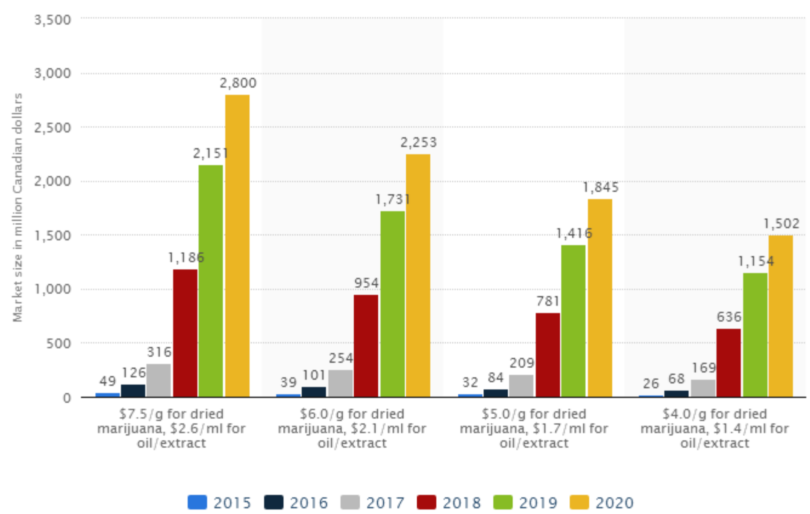



*Source: Health Canada*

Furthermore, Cannimed Therapeutics (TSE: CMED) reported that approximately 7,000 of Canada's 75,000 physicians are prescribing medical marijuana to patients, close to 10%. This is unsurprising given the large range of conditions and ailments that marijuana is prescribed as treatment. Whilst the list is exhaustive and constantly increasing due to loosening regulations and increased research into the medical applications of cannabis, some of the main illnesses and conditions that cannabis treats include:

- Pain management
- Appetite loss
- Nausea
- Arthritis

Data gathered from Health Canada regarding marijuana use shows that between April 1st 2016, and March 31st 2017, 19,780 kg worth of dried marijuana and 13,702 kg worth of cannabis oil was sold to patients. By contrast, for the fiscal period 2014-2015, Health Canada reported a total of 2,772 kg worth of dried marijuana in sales, with oils not yet amended into ACMPR. In dried marijuana product alone, this implies a CAGR of the medicinal market (as measured by sales) of 167.13% between 2015 and 2017. Moving forward, the graph below visualizes forecasted growth in medical marijuana sales.




*Source: Statista*

***Recreational Market***

The recreational market for cannabis is the segment of the cannabis industry that could have the largest potential benefit from a nationwide legalization of marijuana. Whilst existing legislation is quite comprehensive in its allowances for medical cannabis, the possession and sale of marijuana for non-medical uses is still illegal. Under the *Controlled Drugs and Substances Act*, cannabis is still considered a schedule 2 drug, making those in possession of cannabis for non-medical reasons liable to criminal prosecution.

Its illicit status, compounded by the widespread popularity of cannabis products, has resulted in a large cannabis black market which has arisen in order to address recreational cannabis demand. The Canadian government has estimated that this illegal cannabis market could be as large as $7 billion per year, costing $2.3 billion for the government to enforce. The liberal government under Trudeau has made it a goal to decriminalize recreational marijuana use and redirect cannabis revenues to legitimate channels, setting up the *Task Force On Marijuana Legalization and Regulation* with a mandate to:

- Reduce youth consumption of cannabis
- Direct profits from cannabis sales to legitimate entities and away from criminals
- Deter the sale of cannabis outside the legal framework via stricter enforcement
- Establish and enforce stringent regulations regarding production and distribution of cannabis
- Introduce taxation to cannabis sales

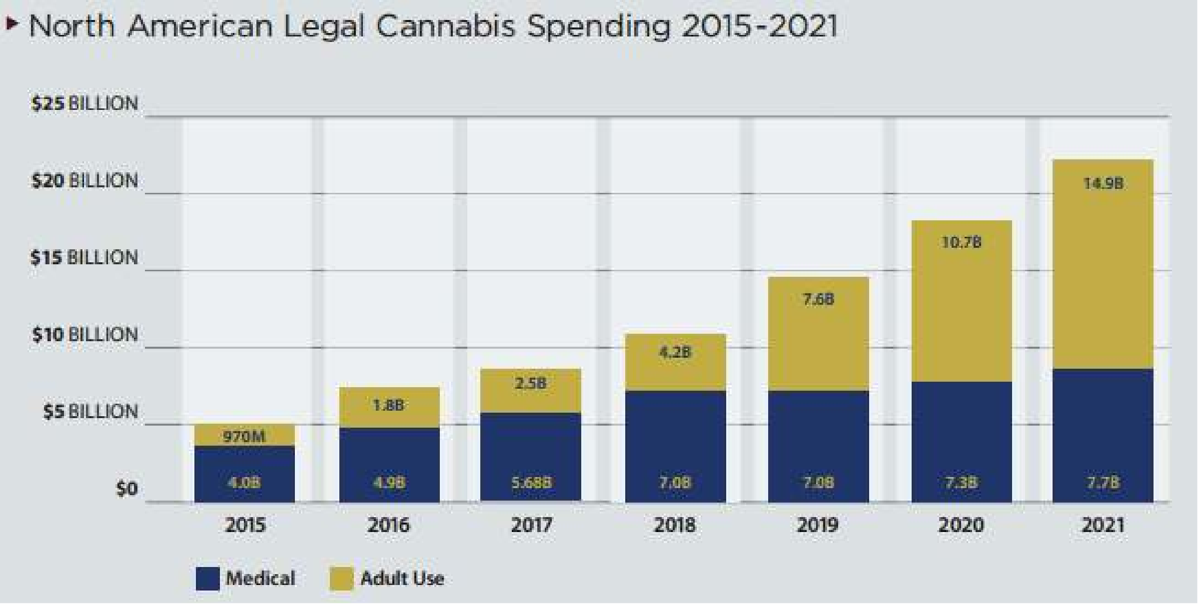
With the Trudeau government proposing to fully regulate and legitimize the recreational cannabis industry, investors have now begun to put an estimate on the potential impact that marijuana legalization could have on the Canadian economy. Deloitte, in a recent publication, estimated that the base market for legal recreational cannabis could start at between $4.9 billion and $8.7 billion (depending on whether those who were likely to consume given legalization were taken into account):


*Source: Deloitte*

At the higher end estimate, the size of the potential recreational market in Canada approaches the size of the Canadian wine market, which is reported at $9 billion according to the Canadian Vintners Association. However, the base market estimate is unlikely to capture the full economic impact of legalizing recreational cannabis use, which Deloitte predicts could be as large as $22.6 billion once all the ancillary services needed to support a legalized recreational market are accounted for. This foot print has the potential to be an even larger figure due to phenomena such as "drug tourism". Colorado, which legalized recreational cannabis use in 2012, received close to $100 million in 2015 in "drug tourism" revenues (as measured by cannabis sales to leisure tourists), according to the Marijuana Business Daily. The Colorado Department of Revenue reported combined sales of $1.3 billion from both medical and recreational suppliers for 2016. This market is significantly smaller than the base Canadian retail market estimates given by Deloitte. This suggests the potential for Canadian "drug tourism" revenues to be significant; given the likely scenario that recreational cannabis becomes fully legalized next year.


*Source: Deloitte*

Whilst it is exceedingly difficult to forecast the growth rate for Canada's recreational market due to uncertainties with regards to future regulation, forecasts for the entire North American cannabis market grant investors some insight in to the potential growth that the nascent recreational market could face. According to Arcview Market Research, North American marijuana sales could grow at a CAGR of 27% through to 2021. Arcview also estimates the +20% growth could continue past 2021, as North American sales grow aided by continuing legalization throughout the United States.



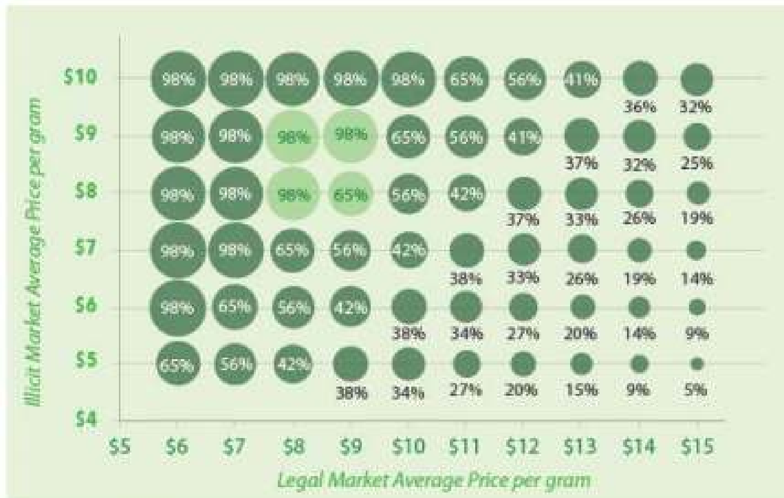

*Source: Arcview Market Research*

This growth is far in excess of the growth rate forecasts for other Canadian vice industries such as alcohol and tobacco, which are forecasted to increase at rate of 2.3% and 0.01% respectively through to 2021, according to the statistics portal Statista.

***Pricing & Sensitivity***

The pricing of cannabis once it is legalized nationally is likely to remain close to or below the price of illicit cannabis. Since the framework allowing recreational cannabis use is being pushed as a method to reduce black market sales and restrict youth access, prices are unlikely to be significantly higher than those for illegal marijuana prices, for fear of lost market share to illicit suppliers. The table below demonstrates the forecasted sensitivity of legal cannabis market share to changes in legal and illegal cannabis prices:

Estimated Legal Market Share of Resident Cannabis Consumption Volume in Canada, at Various Average Legal and Illicit Prices, 2018




Source: PBO Calculations

*Source: Parliamentary Budget Officer of Canada*

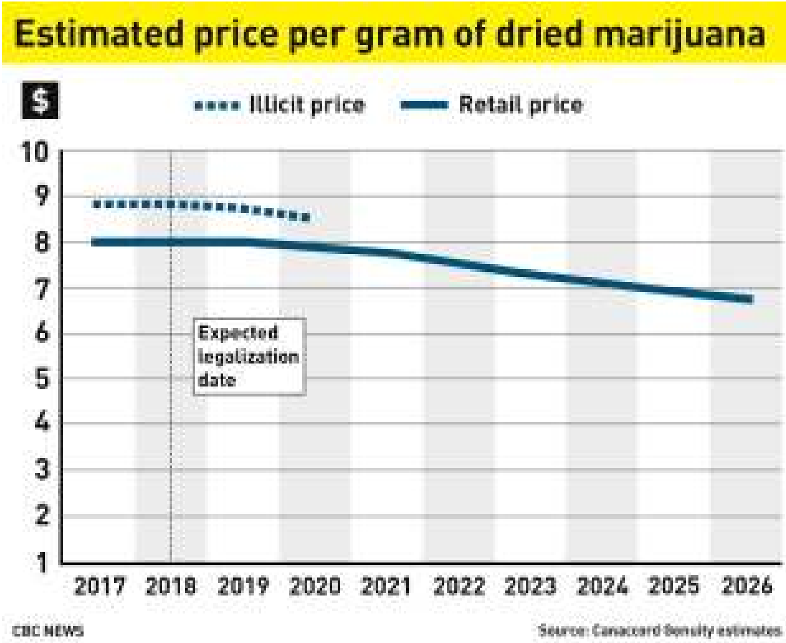
Though this suggests a cap on how high prices will go at a national level, it is likely that prices will differ on a regional basis as taxation on cannabis has been delegated to provincial authorities. The graph below gives a breakdown on current regional pricing for legal cannabis (note this includes illegal cannabis):

Average Cannabis Prices by Region, 2015-16


Sources: Price of Weed; Canadian Community Health Survey 2012; Customized data from Michelle Rotermann; PBO Calculations

*Source: Parliamentary Budget Officer of Canada*

Moving forward, the degree of substitution between illicit and legal cannabis means that the prices of legal cannabis are more likely to go down than up, especially if market forces increase supply to a level more appropriate for expected demand. As a broad regulatory framework begins to take hold, and commercial practices are entrenched industry wide, it is conceivable that legal prices could reach equilibrium below the current national average.

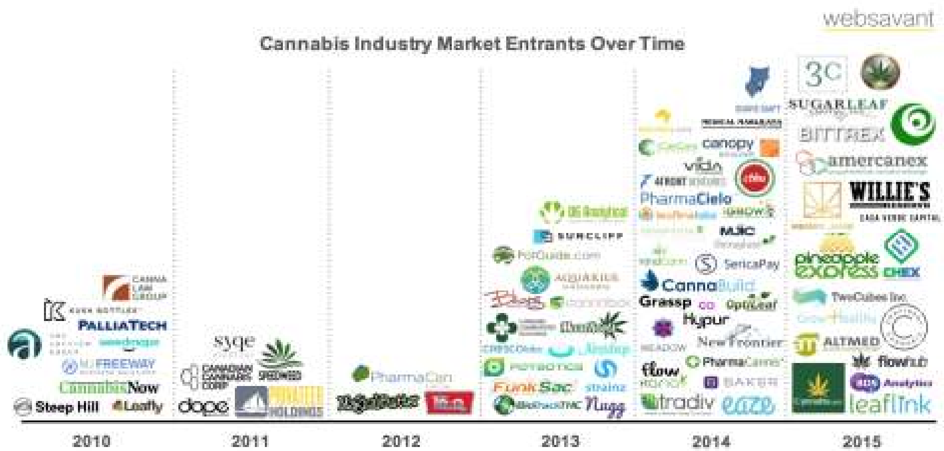



*Source: Canaccord Genuity*

***Competition and differentiation***

Investors should understand that the recreational cannabis industry, if legalized, is likely to integrate into the existing medical marijuana industry, as per recommendations from the Task Force on Cannabis Legalization and Regulation. More significantly, production is likely to remain federally regulated and there is a possibility that the government could limit recreational cannabis supply, despite large forecasted supply deficits. Because cannabis is still considered to have some negative side effects, authorities are concerned that excessive supply could lead to over consumption. That being said, the Task Force recommended that supply limits only hold for the earlier stages of recreational cannabis legalization. It's believed that supply limits could help protect small artisanal growers from monopolistic entities that might seek to sweep the recreational market whilst the government are still working out early kinks in the system.

The barriers to entry, based on the existing medical marijuana system, are high due to stringent regulatory requirements. Under the ACMPR system, companies hoping to be licensed for legal cannabis production and distribution must meet stringent safety and security requirements. That has led to as little as 52 cannabis producers receiving licenses to grow and sell marijuana, at current. With such high demand forecasted in the recreational market, the shortage of licensed producers has led to Health Canada announcing that they will be improving and streamlining their approval process for licensed producers. Should more licenses be handed out to prospective suppliers, the cannabis industry could become increasingly fragmented. This is a trend that has been seen south of the border, with numerous companies entering the space due to the advent of cannabis legalization:




*Source: Websavant*

The anticipation of lowered barriers to entry, plus the diverse uses of cannabis, has pushed newcomers in the space to adopt different business models and practices in order to differentiate. Furthermore, the legalization of recreational marijuana would likely give rise to an ancillary market derived from cannabis use; i.e. implements that aid in the consumption of marijuana (bongs, pipes, vaporizers etc.), companies that provide growing equipment to producers, and so on. Whilst smaller private store fronts exist throughout Canada that fulfill some of these functions, we believe that there is opportunity for publicly traded entities to enter these niche markets and profit via consolidation.

Moves by cannabis companies to diversify and differentiate are, in FRC’s opinion, a good hedge to pricing risk inherent in the industry. As mentioned in the above section, there is a high degree of substitutability between legal and illegal cannabis. Recreational cannabis, if legalized, is at a further disadvantage due to it being taxed, which illegal cannabis is not. Whilst a lower legal price can be achieved by suppliers achieving economies of scale (which might be difficult in the case of production limits), an alternative is to improve the quality of cannabis strains on offer, or delve deeper into alternate cannabis products which aren’t offered en masse by the illicit market. Companies that attempt to differentiate from the typical grower/ distributor model that exists at current are likely to report higher than average marketing costs, which could be a squeeze on margins but may also boost revenues via premium pricing.

An example would be DOJA Cannabis Co (CSE: DOJA), that markets itself as one of the first “cannabis futurist” companies, as well as being one of the first licensed producers under ACMPR to try and build a cannabis “lifestyle” brand- targeting both medicinal and future recreational markets. This approach leverages DOJA’s superior marketing and emphasis on growing production in the “Napa of the north” (Kelowna, BC) in order to differentiate itself as a premium/ high end cannabis company. Whilst not yet in production, having a team that has delivered other premium products such as the “SAXX” line of men’s underwear could well help the young company in capturing a niche market within the future recreational cannabis market.

Another company in the cannabis industry that isn't restricted to production is the Cronos Group (CVE: MJN). This company is in the business of investing in other producers and subsequently operating and developing their holdings. This allows for mitigated operating risk via a diversified portfolio of holdings. Owning 2 of 5 holdings in their portfolio outright, Cronos Group's strategy allows for investors to vary their own risk and returns over the company's different operations.

***Valuation***

The veritable "green rush" that has taken hold has catapulted the cannabis market from a previously modestly valued space to the recent highs and the emergence of its first "unicorn". Like many young industries, valuation metrics are very high despite the majority of players in the space being unprofitable (with some being even pre-revenue). The table below takes prominent companies currently in the space and compares various valuation ratios. Companies in bold have positive EBITDA.

| Company | Ticker | Market Cap (millions of CAD) | Enterprise Value (millions of CAD) | Price to Book | EV/ Total Revenues |
|---|---|---|---|---|---|
| Canopy Growth Corp. | TSE: WEED | 1,540.196 | 1,448.694 | 7.2 | 36.3 |
| Aurora Cannabis Inc. | TSE: ACB | 981.584 | 887.4 | 6.7 | 66.465 |
| **Aphria Inc.** | **TSE: APH** | **900.9** | **767.1** | **3.3** | **37.5** |
| Supreme Pharmaceuticals | TSXV: FIRE | 257.25 | 229.55 | 6.04 | N/A |
| OrganiGram Holdings | CVE: OGI | 250.623 | 205.736 | 3.021 | 37.868 |
| Emblem Corp. | TSXV: EMC | 171.009 | 139.836 | 4.01 | 119.397 |
| CanniMed Therapeutics Inc. | TSE: CMED | 241.4 | 200.4 | 2.6 | 15.5 |
| Cronos Group Inc. | CVE: MJN | 305.1 | 293.9 | 7.98 | 288.5 |
| Emerald Health Therapeautics Inc. | TSXV: EMH | 122.8 | 108.1 | 6.8 | 261.6 |
| THC Biomed International ltd. | CSE: THC | 40.8 | 41.4 | 22.6 | N/A |
| Newstrike Resources Ltd. | TSXV: HIP | 132.23 | 133.5 | 11.6 | N/A |
| Average | | 322.2 | 347.4 | 7.9 | 127.9 |
| Median | | 241.4 | 200.4 | 6.7 | 37.5 |

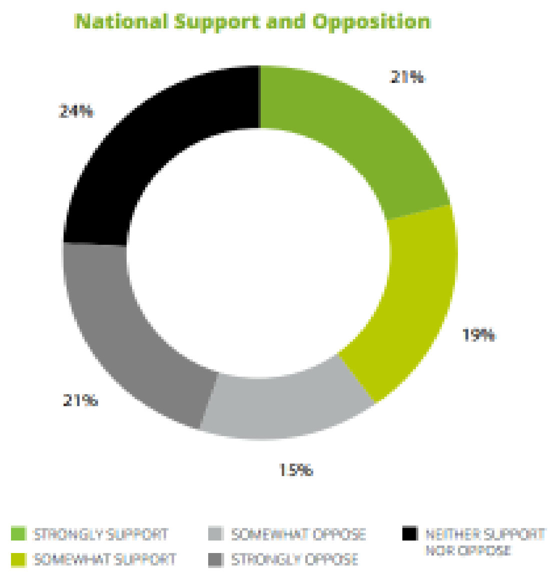
*Source: Capital IQ. Data as of July 31st.*

As shown, the outsized valuations indicate a favourable market sentiment. Furthermore, there may be a "first mover's advantage" element that investors are taking into account: with suppliers needing to be permitted prior to production, current valuations reflect the belief that current players in the space have an advantage over new companies. However, these valuations permeate the wider industry, suggesting reliance upon cannabis being legalized in the near future. Whilst investors might be rewarded for their rich valuations, there is a high downside risk and a chance of "hot money" going out as fast as it got in.

***Risks***

Despite the excitement surrounding the nascent Canadian cannabis industry, as our above valuation would suggest, there are significant risks in the space that investors should be wary of. **Therefore, a careful approach to stock selection using third party due diligence and research is key.** The most obvious risk is that there is a very large "if" regarding whether or not legalization is certain to go through. Whilst the Trudeau government has laid down the framework for the legalization of cannabis next year, there is always the potential for the date to be delayed, putting current capital tied up in the cannabis sector at risk and ramping up investor's opportunity costs. This also reduces the value of projects currently being undertaken to ramp up production in anticipation of boosted demand following legalization; hurting valuations and potentially causing capital outflows. An extreme case scenario could see planned legalization shelved altogether, as unlikely as this may be.

One important factor to consider is the opposition against legal marijuana and the implementation of a framework for recreational use across Canada. Whilst surveys and publications show support for legalizing cannabis use outweighing opposition that does not mean that the majority of Canadians favour legalization outright. Deloitte found that whilst Canadians in support of national cannabis legalization represented 40% of the population, those opposed were close in number at 36%, with the rest undecided. Therefore, introducing a broad legal and regulatory framework once cannabis is legalized is unlikely to be a clear cut task for the Trudeau regime.

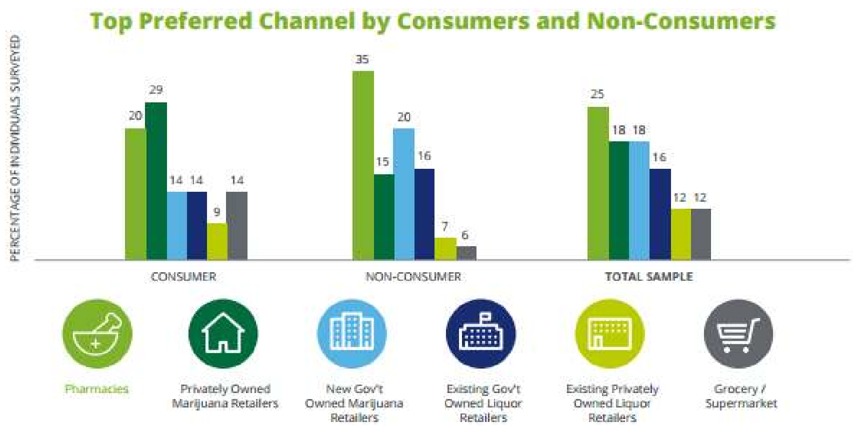



*Source: Deloitte*

Unforeseen changes to proposed legislation to next year’s cannabis legalization date represent potential risks to investors who have capital tied up in the stock of cannabis suppliers. Furthermore, given that Trudeau’s mandate with making marijuana legal nationwide is to reduce youth access and discourage illicit cannabis distribution via strict regulation, there is the risk that regulations become burdensome to point of reducing expected returns. The cannabis industry is arguably propped up at current valuations on expectations of legalization by Canada day next year. Changes in timing and the fact that listed companies in the space are particularly liable to changes in legislation could see dramatic changes in these valuations.

Another risk factor regarding the cannabis industry is the proposed distribution channels by which cannabis might be supplied once its recreational use is legalized. Several options are currently being explored with more conventional channels such as pharmacies and government run dispensaries being explored alongside less conventional options such as liquor stores. The conflict and lack of unity with regard to cannabis distribution has a material effect on investors in that it could lead to a delay in marijuana legalization. CBC has recently reported on the possibility of a showdown as Trudeau continues to push a legalization date for next summer, whilst premiers such as Brian Pallister of Manitoba have considered demanding a year’s extension in order to deal with complications in proposed distribution and legal cannabis pricing. A discordant group of like-minded premiers have also stepped forward to contend the deadline, claiming that suboptimal taxation and the consequences of drugged driving are serious issues that could see a botched cannabis legalization.

Whilst a federal mandate, the distribution and pricing of legal marijuana will largely be at the discretion of the provinces. Therefore, companies with operations in less cannabis friendly provinces could see a material impact on their future earnings, an impact felt also by investors in their shares. At current, legal cannabis is distributed through legal clinics and not so legal private dispensaries, with registered patients receiving marijuana via mail order from one of the various licensed suppliers vetted by Health Canada. With a higher volume of marijuana likely to be demanded once cannabis is legalized, its believed that current mail order distribution will evolve into wholesale and retail channels, choking suppliers margins via an increase in costs from running storefronts. Canadians are also conflicted about how distribution will change following the legalization of cannabis, with pharmacies being the most favoured distribution channel, though private and government run retailers are close behind.




*Source: Deloitte*

Moreover, the legal cannabis industry faces a significant issue in that suppliers have very little control over pricing, making it difficult for companies to address outsized demand forecasts. The government has been very clear in establishing that cannabis legalization comes as result for calls to end black market cannabis sales, a sentiment echoed in federal requests to the provinces to keep marijuana taxation low to keep pricing impacts minimal. Due to there being an established and sizeable black market for cannabis already present in Canada, there are fears that any upward movement in cannabis prices will translate to a higher percentage of cannabis sales going to black market retailers. The high degree of price elasticity means that cannabis suppliers will have little choice but to dramatically expand their production operations to ensure that the goal of reducing youth access and black market sales is met. This suggests that higher capital expenditures on the part of producers could have a longer payback period until increased supplies make up for lost sales, as its unlikely that produces will raise prices to meet demand. A report done by the Parliamentary Budget Office implies that 655,000 kg of recreational cannabis will be demanded by the time cannabis is legalized for recreational use. At current, recreational cannabis is not being produced and for the fiscal year ended 2016, less than 20,000 kg worth of medicinal marijuana was produced according to Health Canada.

Institutional money is still largely lacking in the cannabis space. According to news sources, many of the largest lenders and financial institutions are still reluctant to provide capital and liquidity to companies in the cannabis industry, due to uncertainty regarding the direction of the industry. RBC and Scotiabank have stopped providing accounts to cannabis related companies altogether. Whilst this may change given legislative and regulatory go aheads from the federal government, lack of financing in the current market could also exacerbate inadequate supply. As mentioned earlier, pricing is difficult to change due to the high degree of substitution between legal and illegal cannabis products, so inability to supply demand due to lack of lending could see expected profits in the legal cannabis space falling.

### *Conclusion*

Concluding this report, FRC would like to emphasize the opportunities that are abundant in the rapidly expanding cannabis space. With the size of the cannabis industry forecasted to grow at such dramatic rates, and barriers to entry that are significant enough to deter immediate competition, it is clear that there is ample reasoning behind the recent run up in valuations. Moving forward, large supply deficits and a lack of pricing power will incentivize existing companies to significantly improve production capacity and increase their capital expenditures. The inability to access traditional forms of financing will lead suppliers to turn to the markets for cash, giving investors the chance to realize outsized returns.

However, there are significant risks in the space that investors cannot ignore. Uncertainties with regard to timing, and probability of legalization by July 2018, could have very material impacts upon cannabis investors' capital. Furthermore, failures to expand production will lead to higher foregone profits, and inability to raise capital in the absence of institutional lenders will exacerbate this. **In order to ensure that investors realize their highest potential returns, FRC strongly recommends the use of independent third party research to supplement their own due diligence.**

## Appendix: Listed Canadian Cannabis Companies

The following list is non exhaustive and may not include all companies in the Canadian cannabis space. Some companies may also be listed on Canadian exchanges but have operations outside of Canada. Some may also be in the hemp space rather than the cannabis space.

- Abbatis Bioceuticals (CSE: ATT)
- ABcann Global (TSXV: ABCN)
- Alliance Growers (CSE: ACG)
- Alternate Health (CSE: AHG)
- Aphria (TSX: APH)
- Aurora Cannabis (TSX: ACB)
- Beleave (CSE: BE)
- Calyx Bio-Ventures (TSXV: CYX)
- Canadian Bioceutical (CSE: BCC)
- Cannabis Wheaton Income (TSXV: CBW)
- Cannabix Technologies (CSE: BLO)
- CannaRoyalty (CSE: CRZ)
- CanniMed Therapeutics (TSX: CMED)
- Canopy Growth (TSX: WEED)
- Cronos Group (TSXV: MJN)
- Emerald Health Botanicals (TSXV: EMH)
- Emblem (TSXV: EMC)
- Friday Night (CSE: TGIF)
- Global Cannabis (CSE: APP)
- Golden Leaf Holdings (CSE: GLH)
- Harvest One Cannabis (TSXV: HVST)
- High Hampton Holdings (CSE: HC)
- Hydropothecary (TSXV: THCX)
- iAnthus (CSE: IAN)
- InMed Pharmaceuticals (CSE: IN)
- International Cannabis (TSXV: ICC)
- Invictus MD (TSXV: IMH)
- Isodiol International (CSE: ISOL)
- Kalytera Therapeutics (TSXV: KALY)
- Lexaria Bioscience (CSE: LXX)
- Liberty Leaf (CSE: LIB)
- Maple Leaf Green World (TSXV: MGW)
- Marapharm Ventures (CSE: MDM)
- Maricann (CSE: MARI)
- MedReleaf (TSX: LEAF)
- MYM Nutraceuticals (CSE: MYM)
- Naturally Splendid (TSXV: NSP)

- Newstrike Resources (TSXV: HIP)
- OrganiGram holdings (TSXV: OGI)
- PUF Ventures (CSE: PUF)
- Quadron Capital Corp. (CSE: QCC)
- Radient Technologies (TSXV: RTI)
- Supreme Pharmaceuticals (TSXV: FIRE)
- TerrAscend (CSE: TER)
- Tetra Bio-Pharma (CSE: TBP)
- THC Biomed (CSE: THC)
- Valens GroWorks (CSE: VGW)
- Veritas Pharma (CSE: VRT)
- Vinergy Resources (CSE: VIN)
- Vodis Pharmaceuticals (CSE: VP)
- WeedMD (TSXV: WMD)
- WildFlower Marijuana (CSE: SUN)

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