



Israel's First Pure- Play Cannabis Firm

Corporate Presentation

Canadian Listed: IPOT (pending)

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About **isracann**

Israel's First Pure-Play Cannabis Firm

Isracann, Israel's first pure-play cannabis firm to list in Canada, is focused on becoming a premier, low-cost cannabis producer. Isracann is fully funded for its 230,000 sq. ft. facility under development.

Located in the cannabis research capital of the world, Isracann has relationships with the research, scientific and medical community to identify opportunities and develop pipeline of drugs and devices.

The company is targeting an undersupplied domestic market and anticipates near-term expansion to major European marketplaces.



The Opportunity in Israel

Optimal climatic conditions to grow medical cannabis



Ideal Humidity

Safeguarding the plant from insects and enabling optimal growth.



Optimal Temperature

Reduces energy in winter and summer, saving considerable production costs.



Approx. 300 days of Sun per Year

Optimal sun exposure leads to further reduced production costs.



High UV rays

Vital for effective growth of cannabis and high yields.



Conditions allowing for low production costs estimated at approximately one third of the cost of growing in colder climates such as Canada or Europe.



Multiple growing cycles of the cannabis plant and allows for high production per square foot over other countries.

Investment Highlights

Facility



Licensed

Secured deals with 3 licensed farms in Israel to lease their land for medicinal marijuana cultivation, all currently hold cultivation licenses



Significant Size

Fully funded capacity of 232,900 sq. ft. with the ability to produce 23,500 kg annually.



Expansion Opportunity

Scalable to over 580,000 sq. ft. producing 50,000kg annually



Engineering

Partnership with Yamko, a global construction leader with agricultural projects worldwide in more than 70 countries.

Investment Highlights

Location

Low-cost Operations

Optimal climate and infrastructure allow for greenhouses and low-cost production of approx. \$0.40/gram



Leading Research Centre

Researchers in Israel have been studying cannabis for 50 years



Agricultural Innovation

Israel is world renowned as an agricultural innovation hub



Leading Partnerships

Partnership with leading Israeli research institutions and Universities to leverage their expertise and bring novel products to market.



Investment Highlights

Market



Cannabis

One of the fastest growing consumer segments ever, with an estimated global market size of \$146.6B by 2025



Domestic

10,000 patients in Israel currently on waitlist. Massively underserved domestic market presents significant and immediate opportunity



International

Israeli government approved exports in January 2019. European Union countries in close proximity, such as Germany, present a significant opportunity as they face undersupply

Business Model: Four Pillars

Isracann believes in four verticals to leverage its expertise and scale its business



Cultivation

Israel's climate presents ideal conditions for low-cost production with superior quality. Partnership with Yamko, a leading global construction firm ensures industry-leading facilities.



Distribution

Israel has a massive domestic undersupply and over 10,000 patients on waitlist. Close proximity to the EU allows Isracann to efficiently export once recently legalized export framework is implemented.



Branding

A centre for innovation and excellence, Israel's well-known identity allows for branding differentiation across the globe.



R&D

Partnership with leading R&D labs in Tel Aviv and Jerusalem to leverage their expertise and bring novel products to market.

Israel is the world leader in cannabis research and is credited with the original discovery of the structures of THC and CBD.

Israel's Regulatory Overview

Israeli government approved export law in January 2019

In 2007 Israel became the first country to allow medical research and cannabis cultivation

Cannabis is legal for **medical purposes** in Israel and **decriminalized for recreational use**

Patients purchase directly from **pharmacies**

6 types of licenses

Nursery

Cultivation

Manufacture

Distribution

Pharmacy

Scientific research



Israeli Market



Optimal climate for growing conditions will allow Isracann to be a low-cost producer serving the domestic market



10,000 patients on waitlist for medical cannabis due to supply constraints



Patients expected to exceed 50,000 in 2019



Among the highest cannabis use per capita in the world



History of cannabis innovation and research with THC and CBD cannabinoid structure discovered at Hebrew University of Jerusalem



Access to top researchers in the field provides valuable strategic data for the development of formulations and cannabinoid profiles

European Market



Export law approved. After Israel announces its legislative framework for exports, Isracann intends to become a premier supplier of the European market.



Medical cannabis already available in 10 European countries.



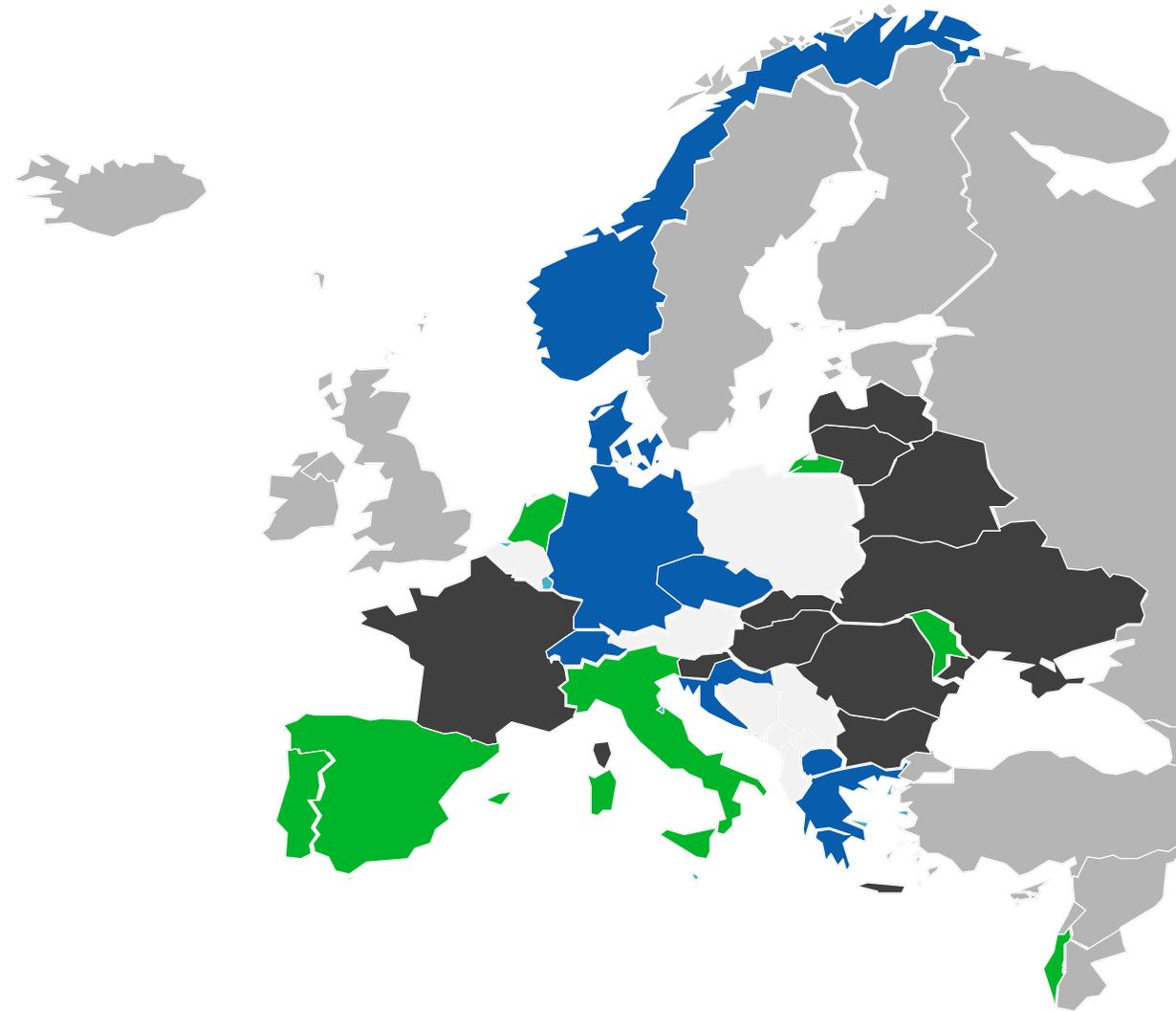
Europe population over 740 million, double USA and Canada —the two largest cannabis markets today.



EU medical market estimated to be \$64B USD by 2028.



Initial entry point to be Germany, a medical market potentially larger than the rest of Europe combined.



● Largely decriminalized

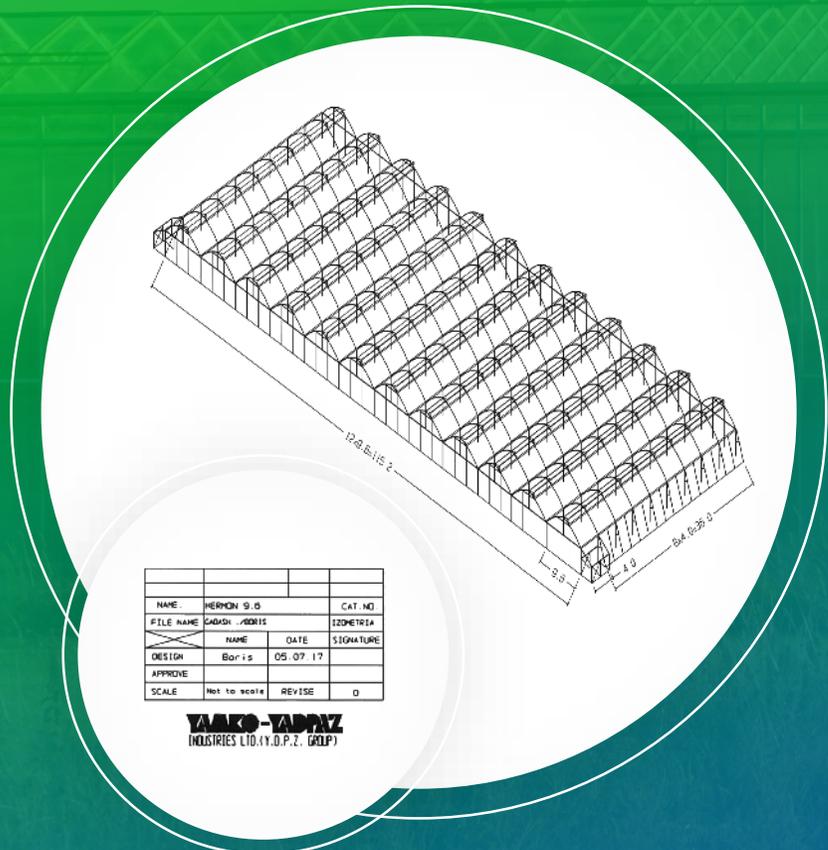
● Medical use by exception

● Generic medical use

● Illegal

The Facility

Fully funded for 232,900 sq. ft. with annual capacity of 23,500 kg with ability to scale to 580,000 sq. ft



Low-cost producer of high-grade medical marijuana, with anticipated cost of \$0.40 per gram



Partnership with Yamko, a global construction leader based in Israel and established in 1975, with agricultural projects worldwide in more than 70 countries.



A proposed 12 canopy layout offers excellent modularity for irrigation, electrical distribution and maintenance.



Israel's climate ideal for cannabis cultivation. Modern greenhouse canopies offer the highest quality production environment at the lowest potential cost to growers.



Facility will be IMC-GAP/GSP certified, to meet all regulatory standards

Sector Comparables

Company Name	Enterprise Value (\$MM) (Mar. 13, 2019)	Funded Facility Size (1,000 sq. ft.)	Funded Capacity	Enterprise Value (\$MM)/ Funded Facility Size	Enterprise Value (\$MM)/ Funded Capacity
Isracann Biosciences	\$50.2MM	232.9	23.5t	0.2x	2.1x
WeedMD	\$192MM	616.0	50.0t	0.3x	3.8x
Newstrike	\$163MM (acquisition by HEXO)	374.0	32.5t	0.4x	5.0x
Vivo Cannabis	\$234MM	240.5	57.3t	1.0x	4.1x
InvictusMD	\$106MM	284.2	28.4t	0.4x	3.7x
Supreme Pharmaceuticals	\$627MM	342.0	50.0t	1.8x	12.5x
WestLeaf Cannabis	\$407MM	84.8	14.6	4.8x	27.9x
Average Metrics	\$191.6MM	437.2	46.6t	1.4x	9.5x
Implied Valuation of Isracann Biosciences				\$335.7MM	\$223.4MM

Proposed Timeline

2018/2019	Q4			Q1			Q2			Q3			Q4		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Architecture	✓	✓	✓												
Engineering	✓	✓	✓												
Security Design	✓	✓	✓												
Building Permits	✓	✓	✓												
R&D Partnership	✓	✓	✓												
Product Development				✓	✓	✓	✓	✓	✓						
Greenhouse Construction							✓	✓	✓	✓	✓	✓			
Nursery Propagation									✓	✓	✓	✓			
Planting												✓			
Harvest													✓	✓	✓
GMP Facility															

The Team

Daryl Jones, President & CEO

Mr. Jones has over 15 years of capital market experience and an established financial network. Prior to joining Isracann in 2018, Mr. Jones was an Investment advisor with PI Financial Corp Canada and Raymond James Ltd Canada. He was responsible for raising significant risk capital for growth companies in all sectors, with a particular focus on medical cannabis and natural resources. Mr. Jones took True Leaf Medicine public in early 2014 at \$10MM valuation and exited in 2016 at \$150MM market capitalization.

Mark Zegal, Chairman & Director

Mark Zegal is an Israeli businessman with specialization in the capital markets. Formerly a member of the Chicago Board of Options Exchange, Mr. Zegal has 20 years of experience in financing Israeli companies in the biotech sector. A serial entrepreneur, Mr. Zegal has founded and financed several publicly listed Israeli companies, including RADA:NASDAQ.

Nitin Kaushal, Strategic Advisor

Mr. Kaushal is a managing director with PwC in the Corporate Finance Practice in Toronto 25 years experience in the healthcare industry Mr. Kaushal has participated in capital market transactions ranging from private placements, IPO's, and bought deal underwritings in excess of \$2B. He has been involved in over 40 M&A, strategic advisory & licensing assignments for a range of companies from early stage biotechs to large pharmas. Previously the Managing Director of leading healthcare investment banking teams in Canada, Mr. Kaushal was also awarded "Top-gun" investment banker in Canada for healthcare industry (Brendan Wood 2008/09). He was also previously Senior Investment Manager with MDS Capital Corp. responsible for sourcing, evaluating, and negotiating investments in US/Canadian healthcare companies. Mr. Kaushal holds a CA, CF qualifications from Canadian Institute of Chartered Accountants; BSc (Chemistry) University of Toronto.

The Team

Israel Moseson, COO

Mr. Moseson has been involved in the cannabis sector for over 5 years in Israel and is responsible for in-country operations. Prior to entering the cannabis industry, Mr. Moseson specialized in financing Israeli and African companies.

Brett Allan, Advisory Board Member

Mr. Allan has over 10 years of investment and capital markets experience. Mr. Allan has assisted in raising \$400MM in the cannabis sector as the VP of Corporate Development for Organigram (OGI:TSXV), founding member of Emblem Health (EMC:TSXV), and founding member of The Green Organic Dutchman (TGOD:TSX).

Vivian Bercovici, Consultant

Ms. Bercovici was Managing Director (Europe & Israel) for Nuuvera Inc., a cannabis company acquired by Aphria Inc. for \$425MM in 2018. Appointed Canadian Ambassador to Israel by former Prime Minister Stephen Harper in 2014, she served until 2016. Practiced law in Toronto for 24 years, Ms. Bercovici speaks at international forums on Israeli/Middle East politics & policy.

Matthew Christopherson, Advisory Board Member

Mr. Christopherson is the co-founder, president and chief executive officer of Higharchy Cannabis Group, a consortium of companies focused on consumer brands and retail experiences in the cannabis sector.

Throughout his career, Mr. Christopherson has visited over 2,000 cannabis cultivation facilities, both domestically and internationally. Mr. Christopherson has worked with over 100 of Canada's licensed producers (LPs)

Deepak Anand, Advisory Board Member

Mr. Anand former VP of Cannabis Compliance, a global leader in cannabis consulting and advisory. He is also the executive director of the Canadian National Medical Marijuana Association.

Capitalization Table

Share Class	No. of Shares	Value
AKE	38,315,000	\$19,541,000
Isracann Biosciences Inc.	70,000,000	\$35,700,000
Pre-Money	108,315,000	\$55,241,000
Financing (@\$0.51)	19,608,000	\$10,000,000
Post-Money	127,923,000	\$65,241,000
Cash Balance Post-Financing		\$15,000,000



Thank You

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