



Investor Presentation Acquisition of Canna Farms

July 30, 2018

TSX-V: ABCN **OTCQB:** ABCCF

ABcann
GLOBAL

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By their very nature, forward-looking statements and FOFI involve inherent risks and uncertainties, both general and specific, which give rise to the possibility that forward-looking statements and FOFI will not be achieved. Certain material factors or assumptions are applied in FOFI and making forward-looking statements and FOFI, and actual results may differ materially from those expressed or implied in such statements. The Company cautions readers not to place undue reliance on these statements, as many important factors, many of which are beyond the Company’s control, could cause actual results to differ from the expectations expressed in such forward-looking statements or FOFI. These factors include, but are not limited to, risks related to: the future evolution of the regulated cannabis market; industry, competition, customer, legal, taxation and accounting matters; adverse industry events; general economic conditions; loss of potential markets; future legislative and regulatory developments; inability to access sufficient capital in order to pursue business objectives on favourable terms or at all; the ability of the Company to implement its business plan; the risk that the Company will not obtain necessary regulatory approvals for the acquisition of Canna Farms Ltd.; competition; product liability; crop failure; and other factors beyond the control of the Company. The foregoing lists of factors that may affect future results is not exhaustive. When reviewing the Company’s forward-looking statements and FOFI, readers should carefully consider the foregoing factors and other uncertainties and potential events. The Company does not intend, and disclaims any obligation, to update any forward-looking statements or FOFI, whether written or oral, or whether because of new information or otherwise, except as may be required by law.

This presentation also includes information obtained by the Company from third parties, including, but not limited to, information regarding market data and the potential health benefits of cannabis. The Company believes such information to be accurate but has not independently verified such information. There is a risk that the assumptions made and conclusions drawn by the Company based on such third-party information are not accurate. Further, Health Canada has advised that cannabis is not an approved therapeutic drug in Canada and that, at present, while pointing to some potential therapeutic benefits, the scientific evidence does not establish the safety and efficacy of cannabis to the extent required by the Food and Drug Regulations for marketed drugs in Canada unless a specific cannabis product has received a notice of compliance from Health Canada and a Drug Identification Number (DIN).

Executive Summary

- ABcann to acquire 100% of the issued and outstanding common shares of Canna Farms
- Nearly triples ABcann's current capacity to provide key supply in a potentially underserved market
- Further penetration in key markets and addition of new west coast facility in Hope, BC
- Immediately accretive - Canna Farms generated net revenue and adjusted EBITDA of \$9.4 million and \$4.3 million, respectively, for the twelve months ending June 30, 2018¹

Transaction Value:
C\$133 million²

Consideration:
92.5 million in ABcann Shares
(vests over 30 months)
C\$22 million in cash

Pro-Forma Ownership (Basic):
ABcann Shareholders: 67.8%
Canna Farms Shareholders: 32.2%

1. Unaudited; adjusted EBITDA based on EBITDA before changes in fair value of biological assets
2. Based on 20-day VWAP of \$1.20 as at July 27, 2018

Investment Highlights



- 1 Increased Capacity and Scale
- 2 Diverse Production Capability
- 3 Expanded Product Line
- 4 Strengthened Leadership Team
- 5 International Leverage
- 6 New Product Development
- 7 Enhanced Financial and Capital Markets Profile
- 8 Immediately Accretive
- 9 Cost and Operational Synergies

Overview of Canna Farms

Established in 2013, Canna Farms is a profitable licensed producer and seller of dried flower, cannabis resin, cannabis oil, and live plants.

- **BC Bud brand built to be synonymous with quality**
 - One of the most popular LPs based on Lift reviews, continually winning awards for cannabis flower and oil products
- **Comprehensive selection of world-class cannabis strains**
 - 51 unique cannabis strains and 5 distinct oil varieties
- **Historical profitability and positive cash flow generation**
- **Adjusted EBITDA margin consistently exceeding 40%**

Extensive Genetic Library

51 unique strains and **5** distinct oil varieties

Proven Track Record

- ✓ 1st LP in British Columbia and 5th in Canada
- ✓ 1st LP to fund expansion from internally generated cash flow
- ✓ 1st LP to legally import cannabis genetics from Holland
- ✓ Adj. EBITDA margin consistently exceeding 40%
 - *LTM net revenue of \$9.4 million and LTM adjusted EBITDA of \$4.3 million*
- ✓ Experienced management team with West Coast footprint

1 Increased Capacity and Scale

Annual funded capacity of 57,000 kgs, with multiple provincial supply agreements already secured

	Location	Current Capacity	End of 2018 Capacity	Future Capacity
 	Napanee, Ontario	1,500 kgs	5,500 kgs	32,500 kgs
 	Hope, British Columbia	2,700 kgs	6,900 kgs	24,500 kgs
Pro Forma Capacity		4,200 kgs	12,400 kgs	57,000 kgs (mid 2020)

Nearly triples ABcann's current capacity 

2 Diverse Production Capability

State-of-the-art indoor facilities in Ontario and British Columbia, extraction capability, a Dealers License and expected GMP certification in Ontario by the end of 2018

Hope, British Columbia

Current: 2,700 Kgs, Dealers License, extraction

In Construction: Indoor facility: 4,200 kgs

Current, Planned & Funded: Indoor facility: 24,500 kgs

Napanee, Ontario

Current: Indoor facility: 1,500 kgs, extraction, post-harvest GMP by YE

In Construction: Seasonal greenhouses: 14,000 kgs

Current, Planned & Funded: Hybrid (Indoor and Greenhouse) facility: 32,500 kgs

Legend:

- ABcann GLOBAL (Dark Grey)
- CANNA FARMES (Green)



3 Expanded Product Line

With over 15,000 medical cannabis patients, the combined company plans to leverage strong anticipated adult-use demand for premium products, including Canna Farms award-winning BC Bud and ABcann’s new Beacon, FIRESIDE and Lumina product lines

Canna Farms Medical Franchise

- ~5% share of dried medical cannabis market based on grams sold in quarter ending March 2018
- Average patient **growth of 12% month-over-month** since December 2017
- Patients in every province and territory with concentration in Alberta and Ontario

Canna Farms’ BC Bud Product Line

51 unique strains and 5 distinct oil varieties

- Award Winning Strains and Extensive Genetic Library
- Adding products that have won multiple Lift Cannabis awards over the years and are highly rated by customers



ABcann’s New FIRESIDE Product Line

- FIRESIDE has been tailored specifically for social cannabis users, based on extensive research and consumer insights
- When the adult-use recreational cannabis market opens to Canadians on October 17, 2018, FIRESIDE products will be available in both dried whole-bud and pre-rolled formats



4 Strengthened Leadership Team

A seasoned and diverse leadership team with experience in all aspects of the business, including cultivation, product development, branding, capital markets, and demand creation



Barry Fishman
Chief Executive
Officer

20 years of experience as a business leader, most recently as CEO of international specialty pharmaceutical company Merus Labs. Previously served as CEO of both Teva Canada and Taro Canada.



Dr. Michael Bumby
Chief Financial
Officer

20 years of experience in pharmaceuticals, previously CFO of three publicly held Canadian companies - most recently as CFO of Merus Labs.



Ray Laflamme
SVP, Facilities
and Engineering

Over 45 years of engineering, design, construction, project management experience. Commissioned several industrial food grade facilities in Canada & USA including Canna Farms' facility.



Daniel Laflamme
President, Canna
Farms

Over 15 years of financial, operational and regulatory business experience. Prior to founding CF, was Managing Director for Amberwood Homes.



Andrew LaCroix
VP, International
and General
Counsel

Over 20 years of legal experience starting at Stikeman Elliott and then managing his own practice.



Jenny Guan
VP, Napanee
Operations

An initial team member at ABCann with over 15 years experience in various key leadership roles in business operations and finance.



Shekhar Parmar
CEO, Harvest
Medicine and Chief
Strategy Officer

Over 10 years of experience as an entrepreneur, lawyer, and design thinker.



Sung Kang
Chief Marketing
Officer

Over 15 years of marketing experience, has held senior marketing leadership roles at companies including General Mills and Novartis Consumer.

5 International Leverage

Canna Farms' Dealer License, combined with ABcann's international partnerships and expertise, is anticipated to expedite the combined company's expansion strategy in international markets

German Market



- GMP and stability testing for Germany
- Distribution license and initial shipments to Germany expected in Q4 2018



- QA inspection completed and import application to follow

Australian Market



- Initial sales have already occurred
- Pain study initiated in Melbourne



- Early negotiations for cannabis oil exports

6 New Product Development

Strengthens the foundation for a continuous stream of novel and unique product offerings

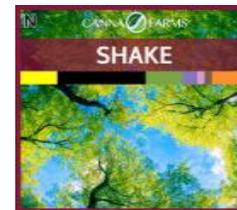
Canna Farms products have won multiple Lift Cannabis awards...



THC Flower
Silver
(2017)



High CBD Oil
Bronze
(2017)



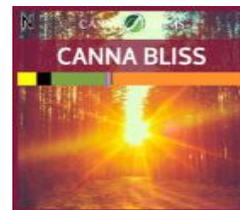
Blended / Value Variety
Bronze
(2017)



Blended / Value Variety
Gold
(2016)



Hybrid Flower
Silver
(2016)



High CBD Flower
Bronze
(2016)

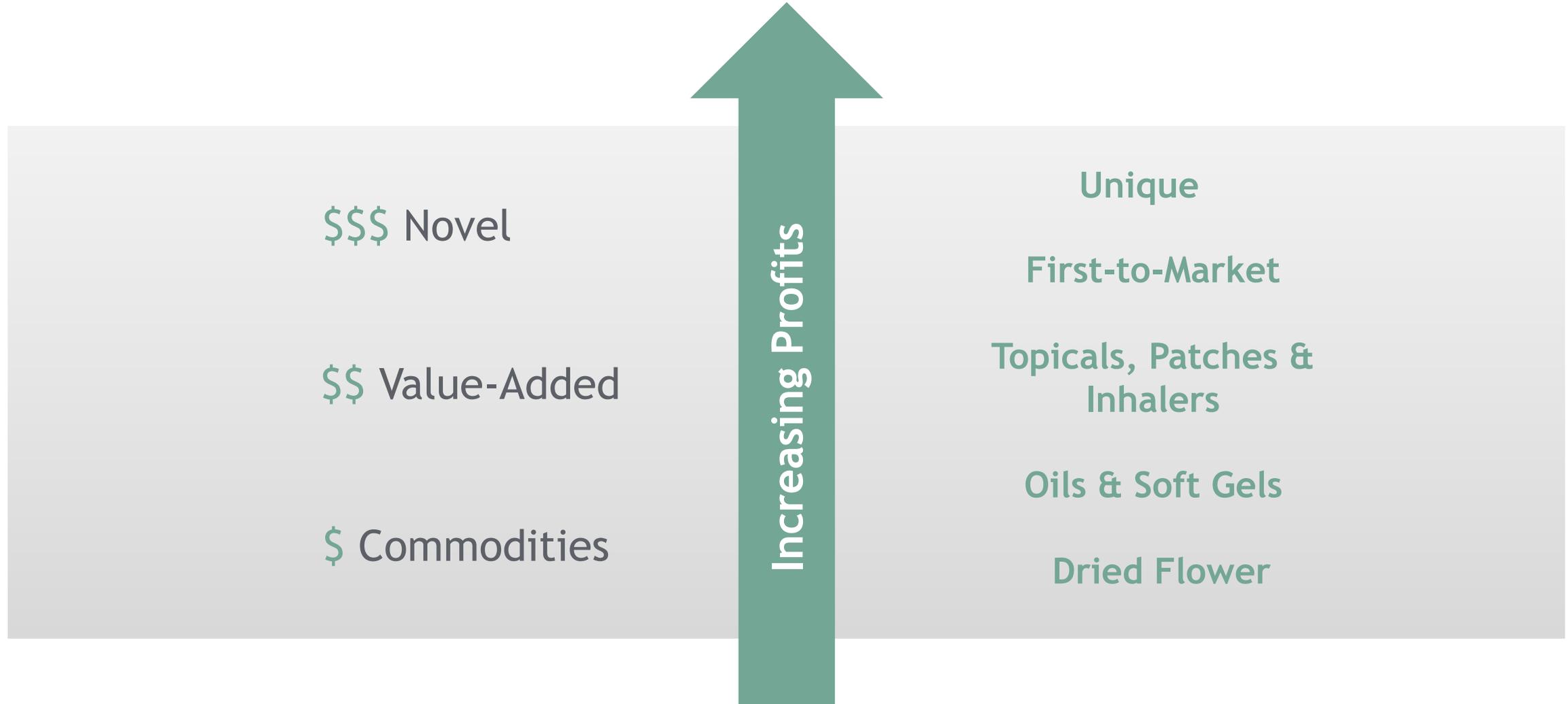


THC Oil
Bronze
(2016)



High CBD Flower
Bronze
(2015)

⑥ New Product Development: Medical



7 Enhanced Financial & Capital Markets Profile



- The combined company's market capitalization and strong cash position of **\$110 million**, combined with Canna Farms' positive operating cash flow and trailing adjusted EBITDA margins of **46%** are expected to result in a more robust capital markets profile

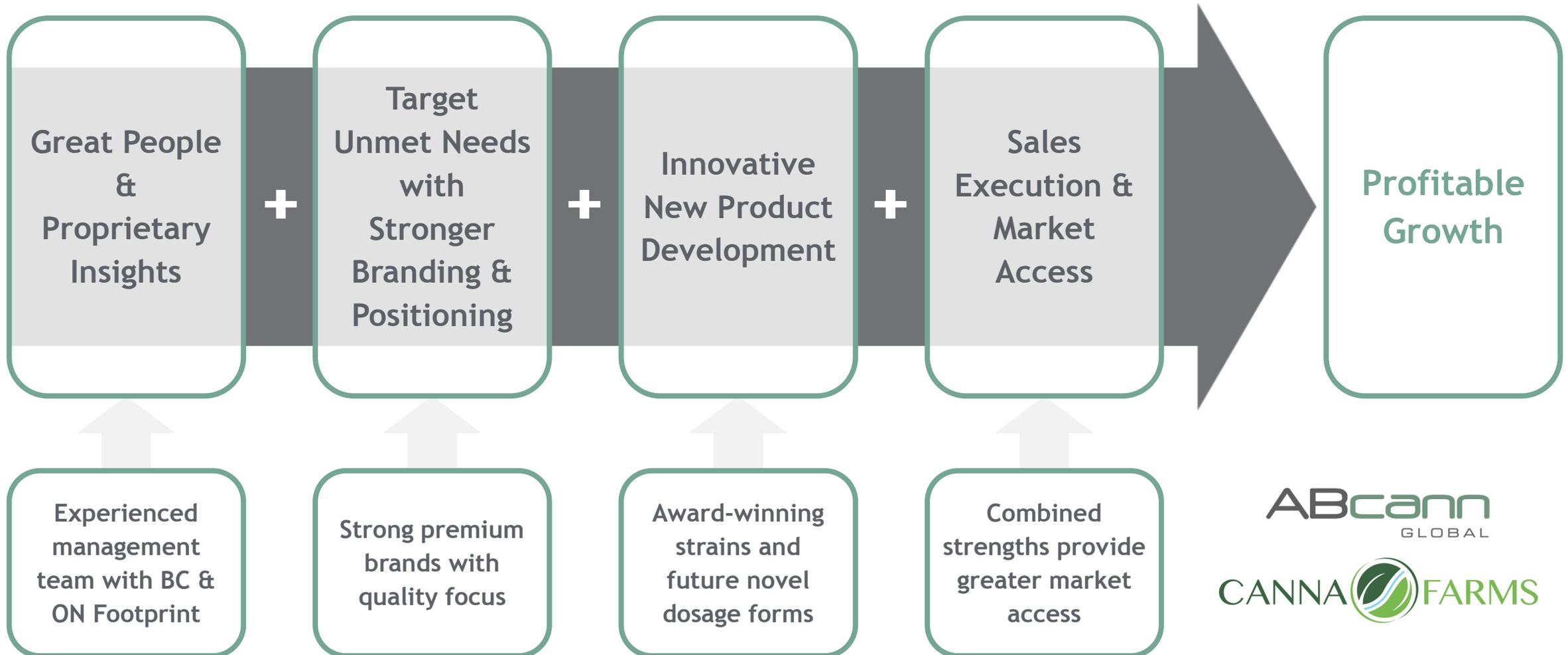
8 Immediately Accretive

- The Transaction will be **immediately accretive** to ABcann
- For the twelve months ending June 30, 2018, Canna Farms generated net revenue and adjusted EBITDA of **\$9.4 million** and **\$4.3 million**, respectively
- For the fiscal year ending September 30, 2017, Canna Farms generated audited net revenue of **\$5.8 million** and adjusted EBITDA of **\$2.8 million**

9 Cost and Operational Synergies

- Canna Farms brings an industry-leading cost structure with strong EBITDA margins, having realized a positive return on invested capital since inception
- The combined company is expected to benefit from anticipated yield improvements and some non-production related cost and operational synergies

Combining our Strengths



Deal Terms

Transaction Value	<ul style="list-style-type: none">• C\$133 million¹
Consideration	<ul style="list-style-type: none">• C\$22 million in cash and 92.5 million in shares
Shares Vesting	<ul style="list-style-type: none">• 20.6 million shares at closing• 17.1 million shares six months from close• 13.7 million shares 12 months from close• 13.7 million shares 18 months from close• 13.7 million shares 24 months from close• 13.7 million shares 30 months from close
Pro Forma Ownership (Basic)	<ul style="list-style-type: none">• 67.8% ABcann Global• 32.2% Canna Farms
Structure	<ul style="list-style-type: none">• Share Purchase Agreement
Timing	<ul style="list-style-type: none">• Closing expected in August 2018

1. Based on 20-day VWAP of \$1.20 as at July 27, 2018