



European Medical Cannabis

CSE:BUZZ

Q4 2019

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Value Proposition

Europe is set to become the world's largest market of medical cannabis and Pharmadrug is a pure play to capitalize on this event.

Distribution

Retail

Business Snapshot

European Distribution

1 of 15 German
licenses to import
& distribute
medical cannabis in
Germany & E.U.

Strong & scalable
revenue visibility
with healthy margins

Brand building
across the entire
continent

Israeli Dispensaries

Building Israel's
first medical clinic
& dispensary
model with ramp
to several locations

Opex light serving one
of the world's largest
per capita consumer
of medical cannabis

Planned growth
to the European
market

Capital Structure

Pharmadrug Inc.

CSE:BUZZ

Shares Outstanding

Common Shares	83,302,274
Warrants (\$0.30 average)	25,293,698
Options (\$0.19 average)	3,440,000
Convertible Debt (CAD\$400,000 @ \$0.15)	2,666,667
FD shares outstanding	114,702,639

Insider Ownership

Nutritional High	10%
Management & Board	10%

CAD\$1.6M bridge against FSD Pharma Shares

Leadership Team

Daniel Cohen, CFA
CEO



Daniel has over 20 years of capital markets experience, most recently spending several years as Head of Sales at Beacon Securities. During this time, Daniel successfully financed many public cannabis companies.

Howard Brass, CFA
COO



Howard has a mix of capital markets and operating experience. After spending a decade in equity and debt capital markets, Howard led the restructuring, growth, and sale of Cliplight Manufacturing Co. to PE firm, The Jordan Company.

Keith has over 10 years of experience in public accounting and accounting in the private sector. His specialties include audit and assurance, corporate accounting, financial reporting, and regulatory compliance services.

Keith Li, CPA
CFO



David has been an active player in the cannabis sector for years. He is the founder and chairman of Nutritional High (CSE:EAT), and a founder of Tinley (CSE:TNY), Lineage Grow (CSE:BUDD), and Xanthic Biopharma (CSE:XTHC)

David Posner
Chairman of the Board



Cannabis in Europe: by the Numbers

Europe is forecast to have the world's largest legal and medical cannabis markets by 2023.

€123 b

Potential total market value by 2028 (medicinal and recreational cannabis).

€65 billion

Estimated value of European recreational market by 2028



€2.3 trillion

Total spent on healthcare each year

In the European Union (EU) and Norway, 23 million people, or nearly 7% of all 15-64 year-olds, used cannabis in the past year; of these, 3.6%, or 12 million, consumed cannabis in the past month

Cannabis in Europe: Key Trends & Takeaways

2018 marked a turning point for European cannabis

- ✓ Industry grew more in 2018 than it did in the prior six years combined.
- ✓ Visibility and public acceptance of cannabis continued to expand as new scientific discoveries increased understanding of potential social and commercial benefits.
- ✓ New legislation in six countries set the stage for continued momentum of medical cannabis
- ✓ More than **€500m** invested in European cannabis businesses.
- ✓ At this pace, Europe will be world's largest legal market by 2023 and, by 2028, have a potential total market value of **€123b.**

Top 10 Cannabis EU Countries

Rank	Country	Cannabis Users (Millions)	2028 Forecasts (Billions)		
			Medical	Rec.	Total
1	Germany	3.3	€ 7.7	€ 8.5	€ 16.2
2	Italy	3.5	€ 7.5	€ 8.2	€ 15.7
3	France	4.7	€ 9.5	€ 9.7	€ 18.6
4	Spain	2.8	€ 3.0	€ 5.3	€ 8.3
5	The Netherlands	0.9	€ 3.1	€ 3.4	€ 6.5
6	United Kingdom	2.5	€ 8.8	€ 9.6	€ 18.4
7	Denmark	0.3	€ 1.1	€ 0.9	€ 2.0
8	Portugal	0.2	€ 0.5	€ 0.6	€ 1.1
9	Poland	1.9	€ 2.0	€ 2.2	€ 4.2
10	Greece	0.1	€ 0.9	€ 1.0	€ 1.9

German Landscape: Attractive Global Opportunity

German medical market expected to be 3x greater than Canada, including higher anticipated pricing through government reimbursement.



Size: EU market estimated to be USD\$64B by 2028



Supply: No current cultivation



Growth: Or lack thereof... just three grow licenses granted for 2021

Germany Distribution



Class I narcotics distribution license with GMP cannabis distribution rights

Capability to get foreign operators Euro GMP product registration & import into Germany

Importing Netherlands allocation of 190 kg to expand

Growth Two supply agreements signed with additional expected from Canadian and Israeli LPs

A Gateway To Europe for Global LPs



Israel: Global Cannabis Hub

Powerful force in pharma, biotech & birthplace of medical cannabis



A Changing Medical Regime

- ✓ 35,000 registered patients & growing monthly
- ✓ New reforms have been written & published
- ✓ Pilot for new pharmacies & dispensaries
- ✓ Physician training program experiencing remarkable demand
- ✓ Prescriptions no longer need regulatory approval



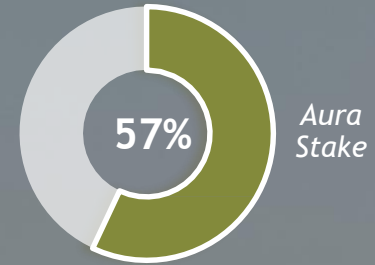
Export Laws

- ✓ Israeli Cabinet has approved export of medical cannabis
- ✓ First shipments expected in Q1 2020
- ✓ Israeli GMP complies with euGMP



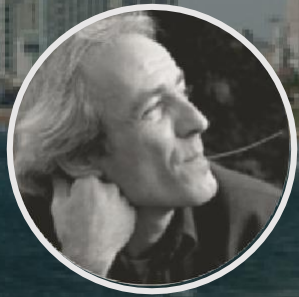
One of the highest cannabis consumption rates per capita in the world

Israeli Dispensaries: CannabiSendak



Planning a network of dispensaries beginning in Tel Aviv

Licensed dispensary model featuring café, clinic & pharmacy



Shlomi
Sendak

Estimated Per Gram Economics

All figures in CAD\$

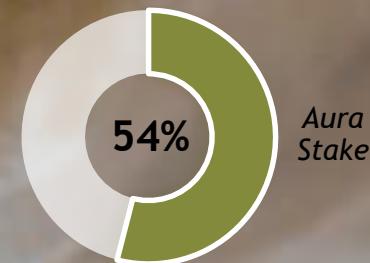
Revenue	\$5.40
Cost	\$2.70
Gross Margin	50%

Estimated Monthly Patient Economics

Grams	420
Revenue	\$2,268

A prominent Israeli cannabis activist, considered a guru among cannabis patients for his advice & guidance. Over 25 years of experience with tens of thousands of social media & patient followers

Israeli Cultivation: HolyCanna



Cultivator & nursery license holder provides optionality to control our own supply chain if required. Until then, project is on hold.

60,000

sq. ft. of canopy planned

325,000

sq. ft. available for expansion

Estimated Capacity *All figures in CAD\$*

Estimated annual grams per sq. ft.	100 g
Total Plants	3,200
Growing cycles per year	5
Annual Grams Capacity	1,600,000

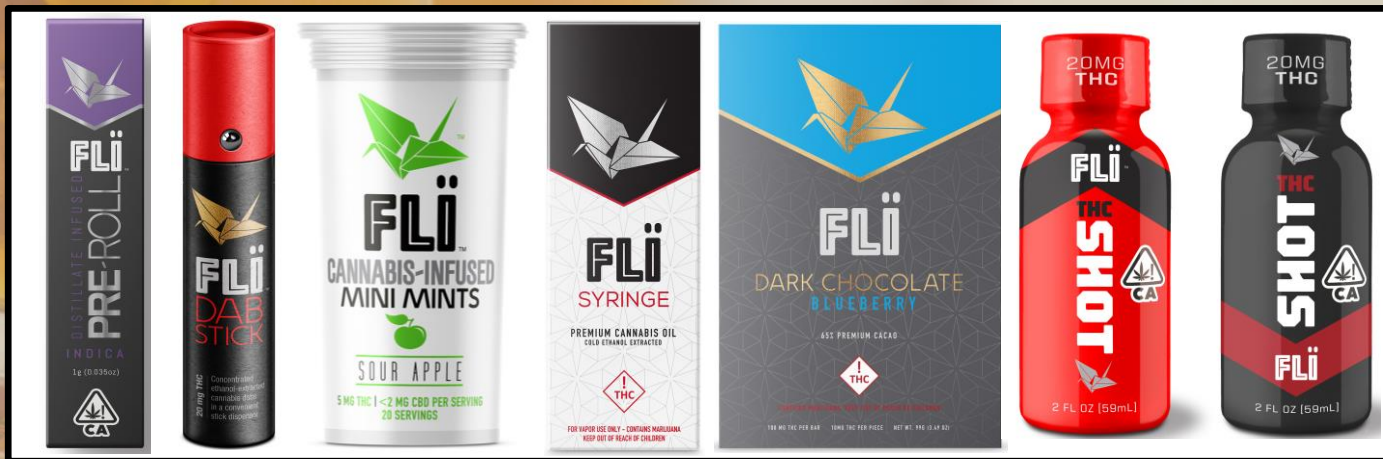


A 26% equity partner, moshav will develop nursery & engage in tissue culture, R&D

Extraction Expertise

Agreement with Nutritional High (CSE:EAT), to leverage their proprietary extraction & edibles technology for product development

- ✓ Infusing products with THC & CBD extracts
- ✓ Techniques for potent, clean & consistent products
- ✓ Manufacturing know-how
- ✓ Specialization in seed-to-sale
- ✓ Extracts, tablets, vape cartridges & edibles



2020 Potential Run Rate Economics

Pharmadrug

All figures in CAD\$

Grams	190,000	500,000	1,000,000
Revenue	\$2,707,500	\$7,125,000	\$14,250,000
Gross Margin	40%	40%	40%

CannabiSendak

Patients	3,500	5,000	10,000
Revenue	\$7,938,000	\$11,340,000	\$22,680,000
Gross Margin	50%	50%	50%

Contact Info

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