

## **Weekly Stash** *The Cannabis Industry*

### WHAT JUSTICE CLARENCE THOMAS' STATEMENT MEANS FOR FEDERAL LEGALIZATION

**Cannabis federal legalization has found an unlikely but important supporter in Supreme Court Justice Clarence Thomas, who has termed the U.S. administration's current stand on this important issue as contradictory and unstable.** Late last month, the Supreme Court refused to hear a case challenging Section 280E of the Tax Code. The case – *Standing Akimbo, LLC. et al. v. United States* – involved a medical marijuana dispensary in Colorado that, even though it was operating completely legally within the state of Colorado, could not take advantage of federal tax breaks for businesses because the federal government considers it to run an illegal drug business. The dispensary challenged the tax provision, claiming that the federal government cannot prohibit medical marijuana in a state, like Colorado, that makes it legal. While the court decided not to hear the case and did not offer any explanation for doing so, Justice Thomas issued an important statement expressing his displeasure with the way cannabis is currently regulated in the country. He said that “once comprehensive, the Federal Government’s current approach is a half-in, half-out regime that simultaneously tolerates and forbids local use of marijuana” and that this “this contradictory and unstable state of affairs strains the basic principle of federalism.” At the heart of the issue is the disconnect and confusion arising from cannabis being legal at a state level and illegal at the federal level. The judge noted that 36 states now allow medical marijuana and 18 allow adult-use, and the federal government has increasingly given states the liberty to design their own cannabis regulations. Given this context, “one can certainly understand why an ordinary person might think that the Federal Government has retreated from its once-absolute ban on marijuana,” Thomas wrote.

**Justice Thomas' comments are important as they symbolize the growing support for cannabis legalization and could prompt the government to think and define what the federal legalization roadmap could look like.** In his statement, Thomas referenced a 16-year-old case – *Gonzales v. Raich* – where the Supreme Court ruled 6 to 3 that federal law overruled state-sanctioned use of cannabis even if the activity did not cross state lines. He said that times have changed, and the federal government's current approach does not resemble “the watertight nationwide prohibition” that formed the basis of the judgement in the 2005 *Raich* case. As a result, “a prohibition on intrastate use or cultivation of marijuana may no longer be necessary or proper to support the Federal Government's piecemeal approach.” This statement – which can be interpreted as supportive of federal legalization – is important since it comes from a judge who has served on the Supreme Court for almost 30 years and is often viewed among the most conservative, suggesting that support for federal legalization is no longer limited to consumers and the political class, but is also growing among members of the judiciary. The timing of the statement is also important as it comes at a time when the industry is receiving [mixed messages](#) from federal courts – in one case, a federal court rejected a Missouri requirement that a medical cannabis business be majority owned by a state resident; however, in another case, the Supreme Court declined to review a federal appellate court decision challenging the Internal Revenue Service's investigatory authority under 280E. These decisions highlight the disconnect at the judicial level when it comes to judging cannabis-related cases. Coupled with the growing acceptance of cannabis among consumers and strong state-level legalization momentum, this could prompt the government to define what the federal legalization roadmap could look like.

**Below are some more excerpts from Justice Thomas' statement which can be read in full [here](#):**

- “Whatever the merits of Raich when it was decided, federal policies of the past 16 years have greatly undermined its reasoning. And, though federal law still flatly forbids the intrastate possession, cultivation, or distribution of marijuana, the Government, post-Raich, has sent mixed signals on its views.”
- “Petitioners have found that the Government's willingness to often look the other way on marijuana is more episodic than coherent. This disjuncture between the Government's recent laissez-faire policies on marijuana and the actual operation of specific laws is not limited to the tax context.”
- “If the Government is now content to allow States to act ‘as laboratories’ ”and try novel social and economic experiments,” then it might no longer have authority to intrude on ‘[t]he States’ core police powers . . . to define criminal law and to protect the health, safety, and welfare of their citizens.’ A prohibition on intrastate use or cultivation of marijuana may no longer be necessary or proper to support the Federal Government's piecemeal approach.”

## CANNA NEWS

### STATE AND REGULATORY NEWS

**Federal officials meet with state marijuana regulators to discuss legalization impacts.** A coalition of state marijuana regulators met with federal officials and members of Congress to discuss the potential impact that national legalization and other cannabis policy changes could have on the local programs they oversee. While the group doesn't take a position on legalization, it's comprised of members whose states have ended prohibition and would be affected by any federal marijuana actions. Reps. Earl Blumenauer (D-OR) and Dave Joyce (R-OH), both co-chairs of the Congressional Cannabis Caucus, spoke with the state regulators, in addition to staffers from other congressional offices. Representatives from the National Institute on Drug Abuse, Food and Drug Administration and Alcohol and Tobacco Tax and Trade Bureau were also present. [Read More](#) (Marijuana Moment)

**What would federal cannabis legalization look like?** The conversation around federal legalization is gaining momentum and has Americans on the alert for what it might look like in its initial form. On one hand, the conflicted status of cannabis in America makes policymaking challenging for state and local governments, and oftentimes can put undue burden on patients and consumers. On the other hand, federal legalization could disrupt existing state frameworks and leave local and tribal concerns unresolved. Legalization is also creating interest in how cannabis gets transported between states and to other countries. Current state regulations become more complicated the moment you step off dry land. And prohibition of interstate commerce means moving cannabis products – even between locations where its legal – is illegal. [Read More](#) (Forbes)

**Republicans are watching their states back weed — and they're not sold.** Marijuana's popularity boom in red states isn't breaking through with conservatives on Capitol Hill, pinching an already narrow path to federal legalization. A growing number of Republican senators represent states that have legalized recreational or medical cannabis — six approved or expanded marijuana in some form just since November. But without their support in Congress to make up for likely Democratic defectors, weed falls critically short of the 60 votes needed to advance legislation. Montana's Steve Daines and South Dakota's Mike Rounds, both Republicans, said they don't support comprehensive federal cannabis reform, no matter what voters back home voted for. Meanwhile, senate majority leader Chuck Schumer is vowing to push a far-reaching federal legalization bill, even if President Joe Biden isn't on board. [Read More](#) (Politico)

**How unregulated cannabis is threatening West Coast wine growers.** Cannabis farms are on the rise in and around many appellations of wine-centric states like California and Oregon; according to BDS Analytics, a Boulder, Colorado-based cannabinoid research firm, legal cannabis sales in California increased by \$586 million in 2020, and the Oregon market expanded by 39 percent. They're the expected byproduct of recent legalization and a flourishing U.S. industry, one that totaled over \$17.5 billion in 2020 alone—and that's just the legal sector. Concerns in many regional wine communities are on the rise, too, particularly as lack of regulation creates competition for labor, illegal resource use, and skyrocketing land prices. But while some vintners and grape growers see cannabis as a threat to regional tourism, wine quality, and brand reputation, others argue that proper cannabis regulation and cultivation can actually bolster premium wine regions. [Read More](#) (SevenFifty)

**State lawmakers weigh options as hemp-derived delta-8 THC disrupts marijuana market.** Sales and demand for runaway market hit delta-8 THC took regulators by surprise over the past year, so state lawmakers are working to create a distinction and rules around cannabis that intoxicates versus cannabis that doesn't. Marijuana growers fear that producing the delta-8 THC and delta-9 THC from hemp-derived CBD is undercutting their profits and could ultimately drive them out of business. But while some states have banned delta-8 THC, others are considering provisions that would regulate it similarly to delta-9 THC: 1) Oregon is looking to ban the sale of hemp products containing THC to minors and give marijuana regulators new authority to set THC concentration limits for hemp products sold in general commerce, 2) California's lower chamber has passed a hemp bill that would limit hemp-derived THC isomers to marijuana dispensaries, and etc. [Read More](#) (Marijuana Business Daily)

**Adult-use cannabis possession now legal in Connecticut and Virginia.** Portions of the legislature-approved legalization laws in Connecticut and Virginia take effect from July 1, 2021 including possession and use for adults 21-and-older in both states. In Virginia, adults will be able to grow up to four plants per household, but recreational sales will not commence in the state until 2024. Virginia lawmakers approved the reforms in March, making it the first state in the South to end cannabis prohibition. It is legal for Virginians over 21 to possess up to 1 ounce and gift up to that amount to another adult. Consumption in the state is only permitted in private. In Connecticut, where Democratic Gov. Ned Lamont just signed the legalization bill, adults can possess 1.5 ounces in public and up to 5 ounces in a locked container at home or in a car. [Read More](#) (Ganjapreneur)

**Issuance of adult-use cannabis licenses may be stalled in New York.** The issuance of adult-use cannabis licenses in New York may be delayed as Gov. Andrew Cuomo and state Senate leaders are reportedly in conflict over who should lead the Office of Cannabis Management (OMC) and Cannabis Control Board (CCB). According to Politico, lawmakers have argued that the Cuomo administration has taken little action to prepare for the state's adult-use cannabis market. The governor has yet to enact any MRTA provisions or nominate an OMC executive director and CCB chairperson, which are the first steps to a marketplace being established and licenses being issued. The debate between Cuomo and Senate leaders has left some industry stakeholders questioning Cuomo's motives and commitment to establish a recreational marketplace. [Read More](#) (Cannabis Business Times)

**Wildfires threaten CA cannabis grows as blazes start unseasonably early.** Wildfires are threatening cannabis cultivation operations in California, with one fire in the northern part of the state growing to more than 13,000 acres. A high-pressure dome has trapped heat over much of the U.S. for weeks, causing the wildfire season to start earlier than usual. Experts are warning that conditions this year might be worse than 2020 for wildfires, which not only destroyed grows outright in California, Oregon and Washington state but also damaged plants via falling ash. The fire was caused by a lightning strike to a tree that sparked a small blaze in a remote area of an old lava flow east of Weed, California. There are two other fires in the area – the Beswick and Tennant – that are smaller, but they have prompted evacuations, USA Today reported. [Read More](#) (Marijuana Business Daily)

**Comprehensive cannabis licensing changes pass California Legislature.** California lawmakers have given final approval and sent to the governor a sweeping budget bill that makes several major changes to the state's cannabis regulatory system, including a much-needed extension of the provisional licensing program. Gov. Gavin Newsom is expected to sign the so-called "governor's trailer bill" Assembly Bill 141. Some of what the bill accomplishes: 1) consolidates the three current regulatory agencies – the Bureau of Cannabis Control, CalCannabis within the Department of Food and Agriculture as well as the Cannabis Manufacturing branch within the Department of Public Health – into a single agency, the new Department of Cannabis Control, 2) extends the life span of the provisional licensing program, allowing provisional permits to be renewed until January 1, 2025, and 3) allows for trade samples of marijuana products to be shared among businesses free of charge. [Read More](#) (Marijuana Business Daily)

**Nine in ten Texas voters support legalizing marijuana in some form, poll finds.** Nearly nine out of ten Texas voters say marijuana should be legal in some form, with just 13 percent still backing prohibition, according to a new poll. The survey, released by the University of Texas and the Texas Tribune, gave respondents four cannabis policy options to choose from: possession should be legal for any amount and any purpose, possession of small amounts should be legal for any purpose, marijuana should be legal for medical use only and possession should not be legal "under any circumstances." A collective 60 percent said they support legalizing cannabis for any purpose, with those voters split about evenly on whether there should be possession limits. Twenty-seven percent said marijuana should only be legally possessed for medical use. [Read More](#) (Marijuana Moment)

**Chart 1: What is Your Opinion on Legalization of Marijuana Possession (%)?**

	Marijuana possession should not be legal under any circumstances	Marijuana possession should be legal for medical purposes only	Possession of small amounts of marijuana for any purpose should be legal	Possession of any amount of marijuana for any purpose should be legal
June 2021	13	27	31	29
Feb. 2021	13	28	32	28
Feb. 2019	20	26	32	22
June 2018	16	31	30	23
Feb. 2017	17	30	32	21
Feb. 2015	24	34	26	16
Feb. 2014	23	28	32	17
May 2010	27	27	28	14

Source: Intro-act, Via UT/Texas Tribune, Marijuana Moment

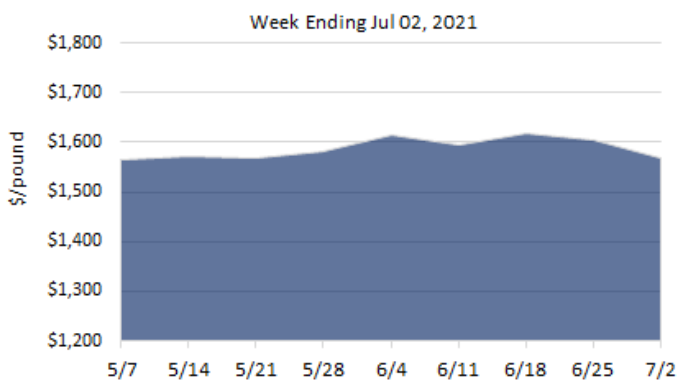
**Retail cannabis sales in Arizona continue to rise.** Arizona officials have released preliminary sales revenue data for April, for both the state's adult-use and medical cannabis markets. According to Arizona Republic reporter Ryan Randazzo, April's adult-use sales reached \$69.3 million, up 41.7% from March's \$48.9 million in sales to recreational consumers. However, previous reports cautioned that the state Department of Revenue (ADOR) has said that the sales figures are not yet completely accurate, as businesses are still remitting their tax obligations inconsistently. Medical cannabis sales revenue reached about \$85 million in April up 20.2% from \$70.7 million in medical cannabis sales recorded in March. All told, Arizona's licensed cannabis businesses generated a total of \$154.3 million in retail revenue in April. April's recorded sales are up 29% from \$119.6 million in March. [Read More](#) (Cannabis Benchmarks)

**Study: Michigan's cannabis industry worth \$3.2 billion, much of it still 'illicit'.** The study shows that one in five Michiganders reported using cannabis in the last year, and that Michigan's marijuana industry generated \$169 million in tax and fee revenue in 2020, but it could have been much more than that. That's because 70% of transactions in the cannabis market happen outside retail stores that generate tax revenue. Some people grow their own marijuana legally. Others get it from licensed caregivers. However, the study notes that "illicit sales and other 'off-the-books' transactions remain the primary way in which Michiganders procure cannabis." [Read More](#) (WZZM)

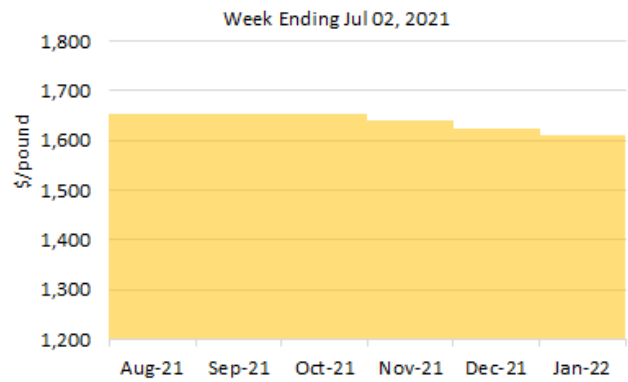
**How the pandemic positioned S.F. to become 'the Napa Valley of cannabis'.** As many San Francisco businesses struggled — or shuttered — under the harsh economic effects of the pandemic, one sector in particular saw its fortunes bloom. San Francisco's cannabis industry saw an enormous boom during, and perhaps in part because of, the pandemic. The city's Office of Cannabis approved more permits for cannabis-related businesses in 2020 than in any previous year. And as other businesses were forced to close, at least 10 cannabis retail shops opened in the city last year. The city's cannabis industry also provided a substantial number of job placements through the Office of Economic and Workforce Development — and the pandemic didn't seem to slow those opportunities down. [Read More](#) (San Francisco Chronicle)

**U.S. cannabis spot index decreased 2.3% to \$1,569 per pound, January 2022 implied forward initially assessed at \$1,610 per pound.** The simple average (non-volume weighted) price decreased \$7 to \$1,838 per pound, with 68% of transactions (one standard deviation) in the \$1,053 to \$2,623 per pound range. The average reported deal size increased to 2.4 pounds. In grams, the Spot price was \$3.46 and the simple average price was \$4.05. The average reported forward deal size was 60 pounds. The proportions of forward deals for outdoor, greenhouse, and indoor-grown flower were 55%, 33%, and 12% of forward arrangements, respectively. The average forward deal sizes for monthly delivery for outdoor, greenhouse, and indoor-grown flower were 73 pounds, 48 pounds, and 31 pounds, respectively. [Read More](#) (Cannabis Benchmarks)

**Chart 2: Cannabis Benchmarks U.S. Spot Index**



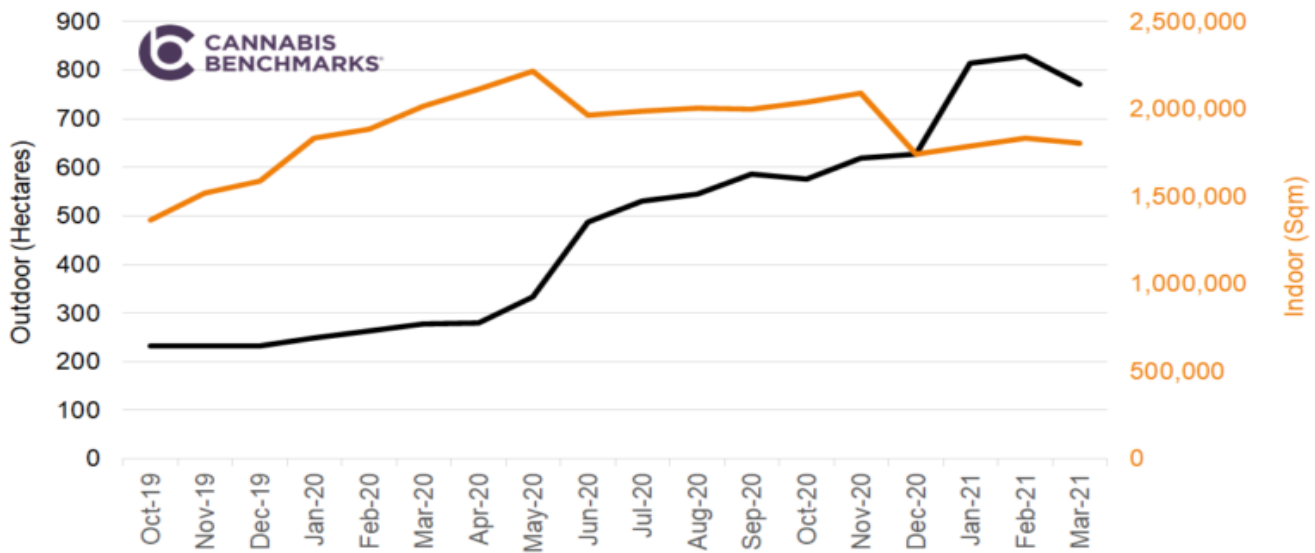
**Chart 3: Cannabis Benchmarks U.S. Implied Forward Curve**



Source: Intro-act, Cannabis Benchmarks, New Leaf Data Services

**Canadian LPs continue to shut down already-built indoor growing facilities and scraps future development plans.** The latest data from Statistics Canada shows outdoor cannabis cultivation capacity expanding at a consistent rate, while indoor space has been on a decline since early last year. As of March 2021, there were 772 hectares licensed to grow cannabis outdoors. This is a massive jump relative to the same period last year. Over the past 12 months, outdoor cannabis cultivation capacity grew by 495 hectares or 179% while indoor cannabis cultivation space has dropped by 10%. Outdoor cultivation has significantly lower operating costs relative to growing indoors or in a greenhouse, including lower infrastructure and labor costs, and no energy costs for lighting or HVAC needs. [Read More](#) (Cannabis Benchmarks)

Chart 4: Licensed Growing Area: Outdoor (Hectares) Vs. Indoor (Sqm)



Source: Intro-act, New Leaf Data Services, Cannabis Benchmarks

## COMPANY NEWS

**N.J.'s biggest cannabis company just got bigger. But we still don't know when legal weed sales will start.** New Jersey's largest medical marijuana company just got bigger, tripling the amount of cannabis it grows and opening a new dispensary. [Curaleaf \(CURLF\)](#) opened its Edgewater Park location. The 7,000 square-foot dispensary is much larger than the company's original Bellmawr store, and its new 40,000 square-foot cultivation site in Winslow, just completed its first harvest. That's double the size of the Bellmawr facility. Curaleaf also plans to open a third dispensary in Bordentown later this summer. Under the medical marijuana law, each of the original 12 licensed companies can open up to three dispensaries. The progress in New Jersey's medical marijuana program has been slow, but openings picked up this spring after languishing for years. [Read More](#) (MSN)

**Canadian cannabis firm Aphria gave CEO \$8.1 million to become full-time employee.** Aphria gave then-CEO Irwin Simon a cash and stock compensation package worth \$8.1 million (CAD \$10.5 million) early last year to change his employment status from independent contractor to full-time employee. The compensation disclosure received little attention when it was released in May by [Tilray \(TLRY\)](#) after the Aphria-Tilray merger closed. Simon is CEO of the new company, which goes by Tilray. Growing executive compensation in the industry might be a sign that companies are being forced to pay more for the right C-suite talent, some experts say. According to Tilray's filing with the SEC: "In consideration of entering this employment agreement, Mr. Simon received a signing cash bonus equal to \$1,110,000 and \$7,000,000 granted as RSUs (restricted stock units) that vest over three years." [Read More](#) (Marijuana Business Daily)

**Trulieve acquires licensed marijuana store in Massachusetts for \$13.5 million.** [Trulieve Cannabis \(TCNNF\)](#) closed its acquisition of a licensed recreational marijuana store in Worcester, Massachusetts, for \$13.5 million. Trulieve said the location would be the company's second Massachusetts outlet. Nature's Remedy of Massachusetts will receive \$13.5 million, comprising \$7 million in cash and the rest in Trulieve subordinate voting shares, according to a news release. "This location will allow us to continue rolling out our expanded portfolio of products in Massachusetts ... while providing industry-leading customer service including our no-questions-asked exchange and return policy" Trulieve CEO Kim Rivers said in a statement. [Read More](#) (Marijuana Business Daily)

**Aurora not renewing recreational marijuana contract in Uruguay.** [Aurora Cannabis \(ACB\)](#) decided not to renew a contract to produce recreational marijuana in Uruguay, and the Canadian company is "actively marketing" a facility in the South American country, a spokeswoman confirmed to MJBizDaily. ACB spokeswoman Kate Hillyar said the decision to not renew the recreational cannabis production contract was made so the company can refocus on higher margin medical cannabis and CBD products "to serve our patients and consumers in Uruguay and other countries in the region." She continued: "We remain fully committed to our international medical cannabis strategy, where we are leaders in geographic reach with medical cannabis sales in 13 countries." [Read More](#) (Marijuana Business Daily)

**The Parent Company buying West Hollywood cannabis retailer for \$11.5 million.** TPCO Holding announced that it would acquire MJ retailer Calma in West Hollywood, California, for \$11.5 million. According to a news release, TPCO will spend \$8.5 million in cash and another \$3 million in company equity and the purchase is expected to close in the third quarter. Steve Allan, CEO of TPCO, said the company plans more acquisitions in California, noting it would “evaluate and identify additional strong retail and delivery operators in strategic locations.” The founders of Calma will remain at the helm of the shop, according to the release, to “ensure Calma remains a staple in West Hollywood.” [Read More](#) (Marijuana Business Daily) and [More](#) (Marijuana Retail Report)

**Clever Leaves launches Project Change Lives, pledging \$25 million worth of medical cannabis to the U.S. researchers.** Clever Leaves Holdings announced Project Change Lives, the U.S. focused research initiative, whereby the company has pledged to contribute up to \$25,000,000 retail value of medical cannabis products to any eligible U.S. organization to help advance scientific research into the potential medical benefits of cannabinoids. By sponsoring Project Change Lives, Clever Leaves is offering to provide a historic amount of pharmaceutical-grade cannabis to leading research institutions in one of the most advanced pharmaceutical markets in the world. Clever Leaves is also looking to supply up to 250,000 bottles of pharmaceutical-grade cannabis oils or approximately 5 tons of medical cannabis flower that will help research institutions develop new therapies. [Read More](#) (GlobeNewswire)

**WeedMD cuts outdoor cannabis output to focus on higher margin categories.** [WeedMD \(WDDMF\)](#) has significantly reduced outdoor cultivation at its Strathroy, Ontario, facility, turning this year’s open-air production into a research crop that won’t be sold to consumers. On a May 31 earnings conference call, WeedMD CEO George Scorsis said the decision to reduce outdoor production was in part linked to the company’s recently announced acquisition of indoor cultivator CannTx in an all-stock transaction whose value was not disclosed. Scorsis said: “Being frank, considering the high-value, high-margin ‘grade A’ product that we’re seeing in our greenhouses and now the indoor craft grow from CannTx, it simply does not make commercial sense for us to plant 27 acres outside”. [Read More](#) (Marijuana Business Daily)

**Lowell Farms commissioning first-of-its-kind cannabis processing facility in Salinas Valley.** Lowell Farms acquired real property and related assets and is commissioning a first-of-its-kind cannabis drying and midstream processing facility located in Monterey County, nearby Lowell’s flagship cultivation operation. The 10-acre, 40,000 sq ft processing facility will provide drying, bucking, trimming, sorting, grading, and packaging operations for up to 250,000 lbs. of wholesale cannabis flower annually. The new facility will process nearly all the cannabis grown locally by Lowell at our existing cultivation operations. Additionally, Lowell is commissioning a new business unit called Lowell Farms Services, which will engage in fee-based processing services for regional growers from the Salinas Valley area, one of the largest and fastest growing cannabis cultivation regions in the country. [Read More](#) (New Cannabis Ventures)

**Hawthorne Gardening announces exclusive partnership.** The Hawthorne Gardening Company announced a 5-year exclusive partnership between Max-Fan and Ruck Ventilatoren. The agreement is the latest in Hawthorne’s landmark efforts to join forces with leaders in the indoor cultivation industry, and will enhance product availability and innovation for growers of all kinds. Together, the companies have engineered fans and filters designed to help encourage plant growth and help keep indoor facilities compliant with environmental impact regulations. This new exclusive partnership marks a significant milestone in the two brands’ relationship by empowering Hawthorne and Max-Fan to meet the skyrocketing demands of the indoor cultivation industry with high-quality, custom-designed products more quickly and consistently than ever. [Read More](#) (Cannabis Business Times)

**Marijuana company Slang buying Vermont firm for at least \$17 million.** [Slang Worldwide \(SLGWF\)](#) has announced an agreement to acquire High Fidelity, a vertically-integrated Vermont marijuana company, in a deal worth at least \$17.25 million – and perhaps more than \$25 million. The transaction includes \$3 million in cash and \$12 million in Slang shares at closing, according to a public relations representative for Slang. A year and a half after the merger closes, Slang will pay a further \$250,000 worth of shares and \$2 million in cash. Further, Slang shares worth as much as \$8 million may be issued if certain undisclosed performance milestones are met, bringing the potential price tag of the transaction to more than \$25 million. In a news release, Slang said the acquisition would make Vermont the company’s third “core market” after Colorado and Oregon. [Read More](#) (Marijuana Business Daily)

## EARNINGS

**Flower One Q1 2021 revenue spikes 53% YoY, expects to post record revenue in Q2.** [Flower One Holdings \(FLOOF\)](#) reports revenue in the first quarter of 2021 of \$13.9 million, consistent with its previous guidance of over \$13.5 million, representing a 53% increase over its revenue of \$8.8 million in the first quarter of 2020. Through updates to its post-harvesting process (drying, curing, trimming and packaging), the company has recognized over 300% increase in its processing capacity in the first quarter of 2021, in comparison to fourth quarter of 2020. The company also announces its second quarter 2021 preliminary unaudited revenue guidance of \$16 million - \$18 million, representing a record revenue quarter for the company. [Read More](#) (Business Wire) and [More](#) (Benzinga)

## CAPITAL MARKETS

**SPAC mania: The biggest cannabis boom is yet to come.** There is a plethora of talented business people that want to join the cannabis arena. Generally speaking, it is a huge positive that experienced capital wants to acquire companies. However, there is a very serious lack of talented cannabis operators that have a proven ability to scale & build a company economically and profitably. SPACs will increase the asset pricing of existing facilities, but building more infrastructure in the future is critical. SPACs will continue until investors get bored, at which point Wall Street will find a new way to raise money for high-growth industries. SPACs are so limiting because they tie up money that should go to critically needed infrastructure and not to overly paid executives for purchasing existing overvalued facilities. [Read More](#) (Cannabis Business Executive)

**Would you buy a cannabis municipal bond for your retirement fund?** Experts agree that the impact of the pandemic will remain for several months to a year because of the sales and income tax decline. So right now, government agencies are thinking about ways to fasten their recovery effort; they are all looking for answers, and CMBs offer great potentials. Experts observe that the demand for CMBs will grow as cities and states grapple with the economic impact of the pandemic. Seven states could identify the potentials CMBs offer, and they also hold the promise of legalizing cannabis for adult use. The states include Vermont, New York, Connecticut, Montana, New Jersey, Missouri, and Arizona. Although it is reported that only Missouri and Arizona will support CMBs, the state of Vermont doesn't have the tax revenue to make it valuable. [Read More](#) (Cannabis.net)

**GH Group, Inc. and Mercer Park Brand Acquisition Corp. complete de-SPAC transaction.** GH Group announced the completion of its business combination with [Mercer Park Brand Acquisition \(BRND-CA\)](#), a SPAC, to create Glass House Brands, with the intent to focus on branded product businesses in cannabis and/or cannabis-adjacent industries. Kyle Kazan, Glass House chairman and CEO: "With one of the strongest retail and wholesale networks in our industry combined with best-in-class cultivation processes and our scaled and highly efficient cost structure, we are exceptionally well-positioned to capitalize on the growing statewide and national consumer packaged goods opportunity. We look forward to leveraging our leadership position in California to introduce high-quality, sustainably grown, craft cannabis to the market to support the health and enjoyment of our consumers, as well as our environment and our community." [Read More](#) (Newswire)

**GrowGeneration announces inclusion in the Russell 2000 index.** [GrowGeneration \(GRWG\)](#) was added as a member of the U.S. small-cap Russell 2000 Index, effective after the US market opens on June 28, as part of the 2021 Russell indexes reconstitution. Membership in the Russell 2000 Index, which remains in place for one year, is based on membership in the broad-market Russell 3000 Index. The stock also was automatically added to the appropriate growth and value indexes. Russell indexes are widely used by investment managers and institutional investors for index funds and as benchmarks for active investment strategies. Approximately \$10.6 trillion in assets are benchmarked against Russell's U.S. indexes. [Read More](#) (GrowGeneration)

**Cannabis MSO Columbia Care raises \$74.5 million in private placement.** [Columbia Care \(COLXF\)](#) has closed a private payment of convertible notes to raise \$74.5 million. The senior secured notes carry a 6% interest rate, and mature on June 29, 2025, unless they are redeemed, repurchased or converted earlier than that. Each \$1,000 worth of notes can be converted to 154 common shares of Columbia Care, representing a premium of about 25% over the shares' closing price on June 17. Columbia Care can redeem the notes at par on or after June 29, 2023, as long as its shares are worth more than 120% of the conversion price. The net proceeds from the offering will be used for working capital and general corporate purposes. [Read More](#) (Marijuana Business Daily)

**The Parent Company and Glass House terminate \$50 million strategic investment.** TPCO Holding announced that its previously announced conditional agreement to complete a \$50 million strategic investment in GH Group, through a private placement offering by [Mercer Park Brand Acquisition \(BRND-CA\)](#), has been terminated by the parties and the strategic investment will not be completed at this time. Mercer Park Brand Acquisition, a special purpose acquisition company, recently merged with Glass House. The Parent Company will consider future partnership opportunities as Glass House purchases and completes the retrofit of its greenhouse cultivation facility in southern California. [Read More](#) (New Cannabis Ventures)

**Kadenwood completes \$30 million series B capital raise.** Kadenwood has completed a \$30 million cash series B capital raise and will use the money to buy advertising and acquire more companies. The company says the raise also includes a \$20 million media campaign to raise brand awareness, bringing the total value to \$50 million. Kadenwood has been on a CBD acquisition spree this year, buying Oregon's Social CBD brand and the U.K.'s Healist Advanced Naturals. Kadenwood co-founder and CEO Erick Dickens said in a statement: "With this new round of funding, we are accelerating our mission of building enduring CBD brands that people trust as being safe and effective, while cementing our position as a leading global, vertically integrated CBD company." [Read More](#) (Hemp Industry Daily) and [More](#) (New Cannabis Ventures)

**Nabis completes \$23 million funding round.** [Nabis \(INNPF\)](#) said it raised \$23 million in a series B fundraising round in a quest to expand daily operations and the company's online wholesaling platform. In a news release, the company said the funds would be put toward expanding its Nabis Marketplace, a wholesale portal for retailers and brands. Nabis previously raised \$5 million in a series A funding round. CEO Vince Ning said in the release: "We are enabling the cannabis brands and retailers of today to transact with the most modern technology tools to best serve the exponentially-growing demand for cannabis". Investors in the Series B funding included FJ Labs, Artemis Growth Partners, Silverleaf Venture Partners, Liquid 2 Ventures and DoorDash co-founder Stanley Tang, the company noted in its release. [Read More](#) (Marijuana Business Daily)

**cbdMD, Inc. announces pricing of \$14.3 million 8.0% series A cumulative convertible preferred stock offering.** [cbdMD \(YCBD\)](#) announced the pricing of its underwritten public offering of 1,913,100 shares of its 8.0% series A cumulative convertible preferred stock at a price to the public of \$7.50 per share. The company expects to receive gross proceeds of \$14,348,250 from the offering. The shares will be convertible into shares of cbdMD's common stock at the holder's option at a conversion price of \$6.00 per share, or by cbdMD at a conversion price of \$6.00 per share if the trading price of its common stock equals or exceeds \$8.25 per share for at least 20 trading days in any 30 consecutive trading day period ending five days prior to the date of notice of conversion. [Read More](#) (Business Wire)

**Panacea Life Sciences goes public through reverse-merger.** [Exactus \(EXDI\)](#) announced the acquisition of Panacea Life Sciences. Panacea, which was founded by Leslie Buttorff, in 2017 as a woman-owned business, which attracted \$20 million in initial investments which were followed up with a \$14 million in investment from [22nd Century Group \(XXII\)](#) during 2019, a leading plant biotechnology company focused on technology to decrease nicotine in tobacco plants also uses its expertise for genetic engineering of hemp and cannabis plants to modify cannabinoid levels used in manufacturing CBD, CBG and CBN. 22nd Century exchanged its Panacea preferred stock for a 11.6% stake in Exactus. [Read More](#) (New Cannabis Ventures)

## MEDICAL CANNABIS

**How federal marijuana prohibition is hurting medical patients across the country.** When it comes to cannabis however, there are millions of people that rely on it for some sort of relief whether it's something as simple as "taking the edge off after a long day of work" to something more serious like dealing with chronic pain. The problem comes when people who rely on government funding, test positive for THC. If THC is detected in your blood, the doctors would need to immediately cut you off from these other drugs because you have a "controlled substance in your blood stream". In other words, the government will immediately stop helping medical patients if they have any illegal controlled substance in their system. They essentially declare you "a dope fiend" and "unworthy of assistance". [Read More](#) (Cannabis.net)

**Missouri federal judge prevents state from enforcing residency rules.** On June 21, the U.S. district judge Nanette K. Laughrey ruled against Missouri's residency rules and removed the state requirement that medical cannabis businesses must be majority-owned by individuals who have lived in the state for a minimum of one year. Laughrey said that the residency requirement violated the U.S. Constitution's Dormant Commerce Clause, which refers to the prohibition implied in the Commerce Clause "against states passing legislation that discriminates against or excessively burdens interstate commerce" according to Cornell Law School. Laughrey also said the court did not accept the MDHSS claims that the residency requirement would ease the need to secure an application's out-of-state records just because that applicant lived in Missouri for one year, Law360 reported. [Read More](#) (Cannabis Business Times)

**Push to legalize medical cannabis in North Carolina makes progress.** The North Carolina Senate Judiciary Committee voted in favor of a plan to legalize medical cannabis use for certain conditions. The action, though an extremely preliminary step in the process, signified the first time a North Carolina senate committee took a vote involving a marijuana measure, according to Raleigh-based TV station WRAL. Senate Bill 711, which also would establish an MMJ supply and distribution system, was amended to lower the number of distribution centers in North Carolina from 80 to 40. According to the Associated Press, the MMJ qualifying conditions includes: 1) cancer, 2) epilepsy, 3) HIV/AIDS, 4) crohn's disease, 5) post-traumatic stress disorder, 6) multiple sclerosis, and 7) nausea related to hospice care. [Read More](#) (Marijuana Business Daily) and [More](#) (Cannabis Business Times)

**Pennsylvania raises medical marijuana purchase limits, makes other changes.** According to The Associated Press, Gov. Tom Wolf signed into law House Bill 1024, which also impacts producers and processors by: 1) Making it easier for them to remove contaminants such as yeast and mold from MMJ and 2) Allowing them to turn that contaminated cannabis into topicals but not inhaled or ingested products. AP reported that the new law also: 1) makes permanent the ability of dispensaries to sell MMJ products curbside, a service that first was allowed during the coronavirus pandemic and 2) Adds cancer remission therapy and neuropathies of the central nervous system to the list of medical conditions for which medical marijuana can be recommended as treatment. [Read More](#) (Marijuana Business Daily)

**SD sets initial list of conditions for medical marijuana treatment.** The South Dakota health department released a preliminary list of conditions for which medical marijuana can be recommended, and several could drive significant business to the state's dispensaries. According to Sioux Falls TV station KELO, the preliminary list includes: Cancer associated with severe or chronic pain, nausea or severe vomiting, or cachexia or severe wasting. post-traumatic stress disorder (PTSD), epilepsy and seizures, HIV/AIDS, amyotrophic lateral sclerosis (ALS), also known as Lou Gehrig's disease, multiple sclerosis, crohn's disease, and glaucoma. These specific conditions are in addition to the broader definition of "debilitating medical condition" that voters approved in 2020. [Read More](#) (Marijuana Business Times)

**Why red Oklahoma is home to a booming medical marijuana market.** Oklahoma has pulled a U-turn on marijuana policy since 2014, when the state's attorney general – along with his then-counterpart in Nebraska – filed a federal lawsuit to overturn neighboring Colorado's new recreational marijuana program. But the U.S. supreme court declined to hear the case. Fast-forward to June 2018, when Oklahoma voters soundly approved one of the loosest medical marijuana programs in the country. Two months later, Oklahoma regulators began accepting applications for MMJ business licenses. Despite efforts by some Oklahoma politicians to rein in the state's free-wheeling MMJ program, it's the most unfettered medical cannabis market in the country. [Read More](#) (Marijuana Business Daily)

## **CBD/HEMP**

**Delta-8 THC is legal in many states, but some want to ban it.** Although some states have legalized marijuana for recreational or medicinal use, on a federal level, the plant remains listed as a Schedule I drug, a tier reserved for drugs with a high potential for abuse and no medicinal benefit, according to the DEA. However, the legality of the plant's individual compounds, including delta-8 THC, falls into a gray area. Daniele Piomelli, director of the University of California, Irvine, Center for the Study of Cannabis said: "Just because THC comes from a plant that doesn't kill people doesn't mean THC alone is safe. We don't know that until we test it. And just because delta-8 THC produces milder psychoactive effects than delta-9 THC doesn't mean it's always less intense." [Read More](#) (NBC News)

**Colorado rolls out new hemp testing, THC labeling rules.** A slate of new Colorado requirements for hemp products taking effect could signal a new wave of regulations as states move to regulate over-the-counter hemp products more like those made from marijuana. Colorado's health department now requires edible hemp products to be tested for a long list of pesticides and contaminants, including heavy metals and mycotoxins. The changes include a new requirement that hemp products carry labels listing total cannabinoid content in the package, including THC, in milligrams. By October 1, Colorado will require hemp products to be tested for 106 pesticides, compared with 13 pesticides for regulated marijuana. [Read More](#) (Marijuana Business Daily)

## **RETAIL**

**Uber and the delivery war could be headed to cannabis dispensaries.** The delivery wars could be headed to cannabis dispensaries next. Throughout the pandemic, food orders boomed for DoorDash, UberEats, and Grubhub. Sales on alcohol delivery app Drizly surged. And then there is California-based cannabis delivery app Eaze, which saw new customer sign ups increase by over 70%. The company calculates that last year in California, a marijuana order was placed every eight seconds. Even where adult and recreational adult-use marijuana delivery is legal, there's red tape. For one, different states have different employment laws and product hand-off protocol for drivers. Despite the regulatory hurdles, Uber CEO Dara Khosrowshahi recently suggested that his company could further evolve from ride-hailing to cannabis delivery. [Read More](#) (CNBC)

**High Tide mergers bear fruit.** High Tide Inc. had its share of successes to report. Despite national lock-downs and in-store shopping restrictions in its largest markets, High Tide reported a 99% revenue increase, generating \$40.9 million between February and April of this year, compared to \$20.6 million during the same time last year. The merger of High Tide and META Growth Corp. in November of last year was big news, being one of the first major mergers on the retailer side of the industry. This quarter represents the first full quarter of the partnership, now fully settled and sorted, and along with the acquisition of e-commerce brand Smoke Cartel, the company attributes part of its revenue increase to these brands joining the flock. [Read More](#) (Cannabis Retailer)

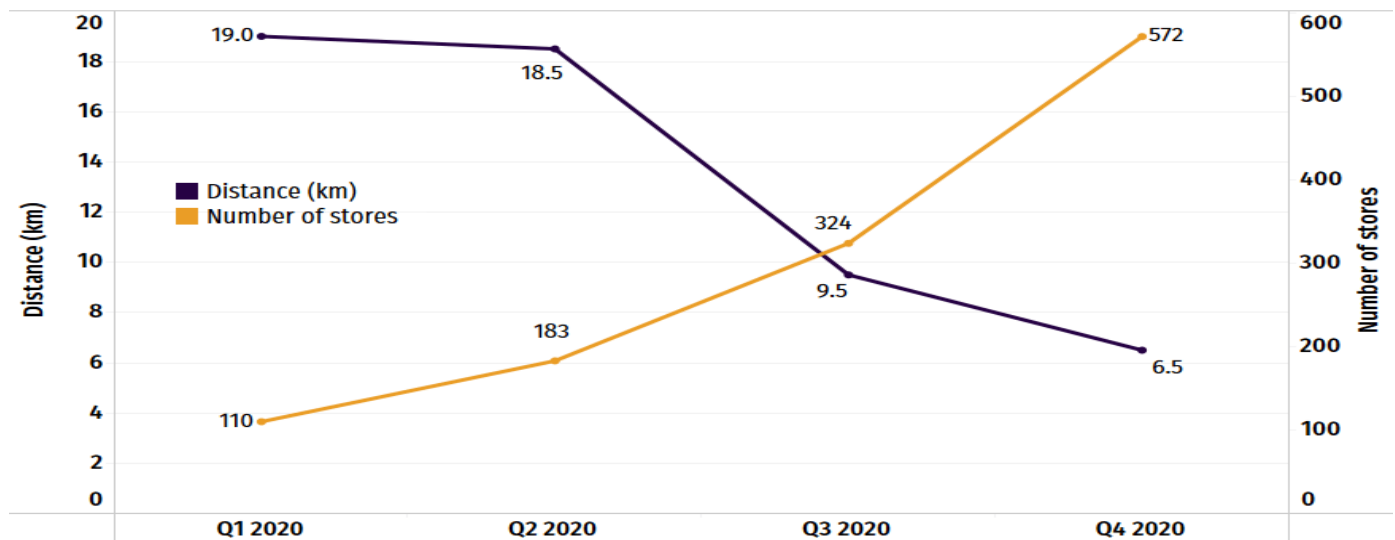
**Kiario growing fast in BC, ON.** In May, Kiario completed the acquisition of the assets of Grasshopper Cannabis in Kelowna, British Columbia, a store that is set to open this summer. Later that month, it announced that it had entered into a definitive agreement with Sculthorpe SEO, which operates a "highly desirable" retail location in Toronto, as well as three e-commerce platforms, giving Kiario access to the Ontario market, as well as access to Sculthorpe's international consumers. Janet Hoffar, chief financial officer said in a press release: "It is exciting to be able to report same-store sales results with an incredible 78% increase year-over-year. Same-store sales is a financial KPI retailers rely on, and our results are remarkably impressive." [Read More](#) (Cannabis Retailer)

**COOKIES launches first-ever “Superstore” location in Southern California.** International cannabis brand COOKIES is launching its first-ever “superstore” in Santa Ana, California, on Saturday, June 26th. The grand opening of this COOKIES location marks a milestone for the brand—creating an immersive customer experience that provides a glimpse into the future of cannabis retail. The COOKIES retail location in Santa Ana will offer two new exclusive drops: Pave, the COOKIES collaboration with Quavo, and Day Day, the COOKIES collaboration with Mike Epps. Customers can also shop top products from the full COOKIES family of brands, including: Lemonnade, Collins Ave, Grandiflora, Minntz, Powerzzup, Runtz and Run The Jewels. Each family of brands will have a dedicated featured shopping area within the store. [Read More](#) (Marijuana Retail Report)

**Marijuana companies still face advertising and marketing obstacles, but options exist.** The obstacles that marijuana companies still face when trying to educate the world about the best uses – and misuses – of the cannabis plant were underscored after a United Nations panel called for a global ban on cannabis business advertising. That’s not to say it’s impossible for cannabis companies to overcome the traditional marijuana stigma in marketing. Numerous – sometimes unconventional – options exist, such as age-gated video ads as well as local or satellite radio spots. For instance, though most states don’t prohibit TV stations from carrying marijuana business ads, they tend to shy away from cannabis for fear of losing their broadcast licenses, which are overseen by federal regulators, said Lisa Buffo, the CEO and founder of the Denver-based Cannabis Marketing Association. [Read More](#) (Marijuana Business Daily)

**Ontario Cannabis Store: Growing competition may result in store closures.** Retail access to legal marijuana has improved significantly in Ontario over the past year, shrinking the average distance between consumers’ homes and regulated stores, according to provincial wholesaler Ontario Cannabis Store’s new annual data report issued. MJBizDaily has previously reported on the anticipated shakeout in Ontario’s rapidly-growing regulated marijuana retail sector, which is expected to hit the 1,000-store mark by September. OCS said Ontario had 572 cannabis stores as of the end of the wholesaler’s fiscal year on March 31. The average distance from consumers’ homes to a licensed marijuana store decreased from 9.5 kilometers (5.9 miles) in the third quarter of OCS’ fiscal year to 6.5 kilometers at the end of March. [Read More](#) (Marijuana Business Daily)

**Chart 5: Average Distance to Cannabis Retail Stores in Ontario**

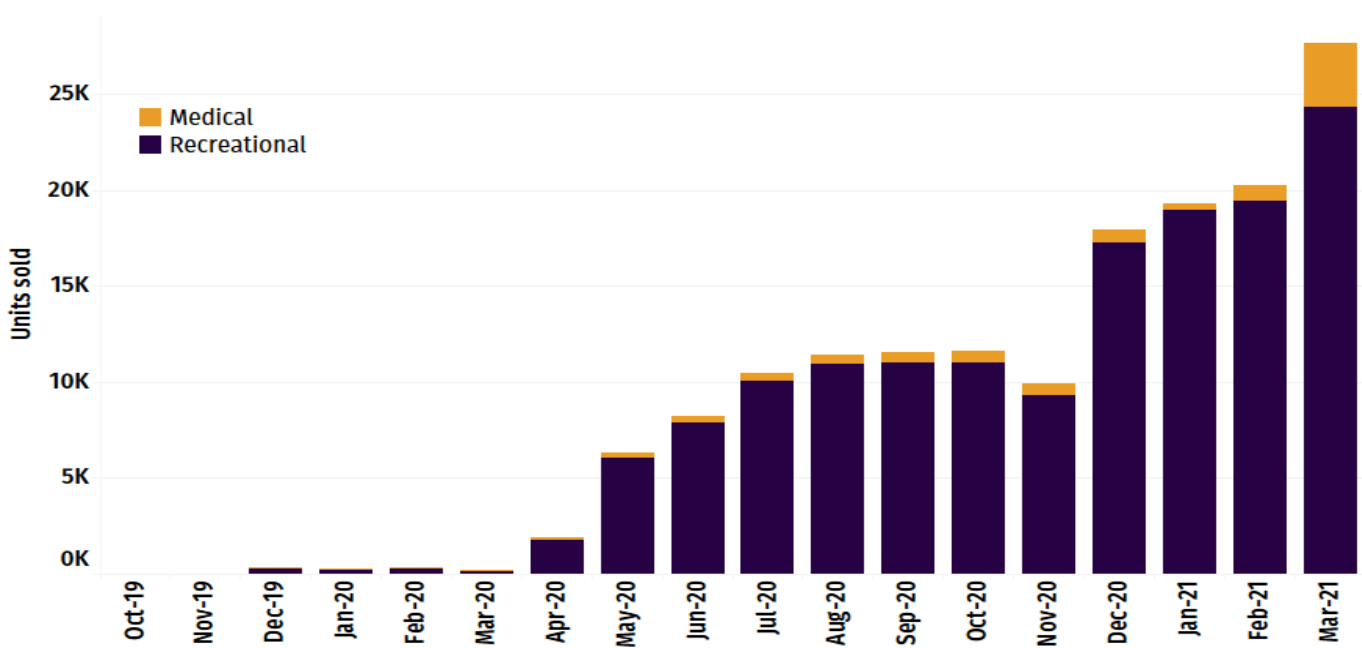


Source: Intro-act, Ontario Cannabis Store, Marijuana Business Daily

## PRODUCTS

**Canadian cannabis topical makers hope to boost growth in niche category.** Topical cannabis products, such as skin creams, lotions, bath bombs, massage oils and lubricants, became legal in Canada in late 2019, but the category remains small relative to other cannabis-derived products that hit the market at the same time, including vape pens, edibles and beverages. Even so, some of Canada’s leading cannabis topical producers told MJBizDaily they see potential for significant growth in the niche category, citing: 1) Increasing availability of topical products and greater consumer awareness, 2) efforts to improve knowledge of topicals among retail cannabis store employees, and 3) Regulatory changes that could boost sales of cannabis topicals, such as making some cannabis health products available outside of regulated marijuana stores, which is currently under consideration. [Read More](#) (Marijuana Business Daily)

Chart 6: Canadian Cannabis Tropical Sales

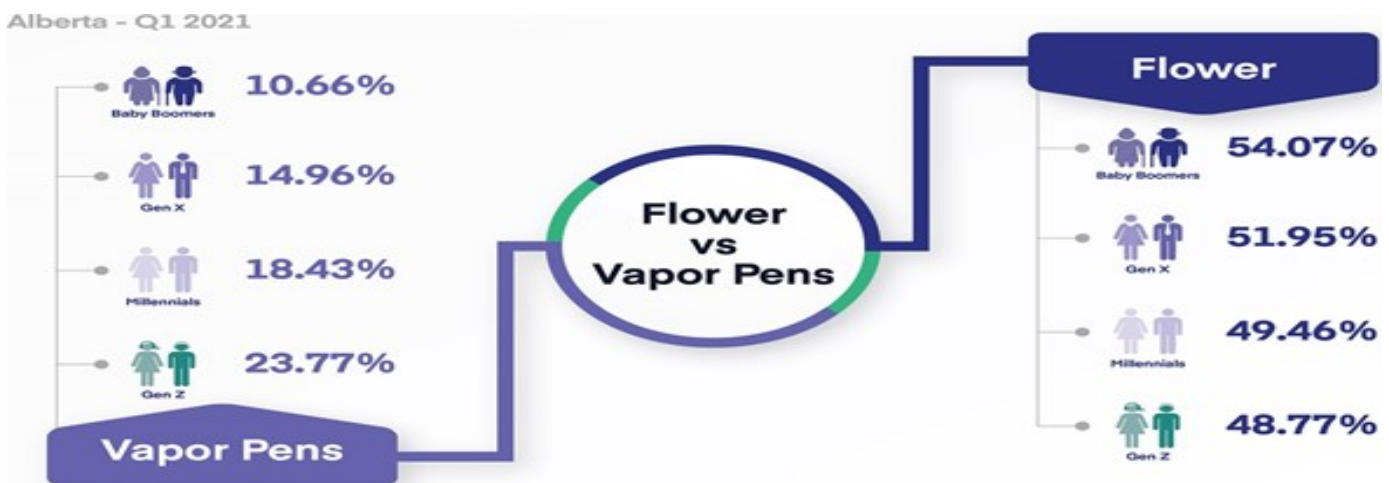


Source: Intro-act, Health Canada, Marijuana Business Daily

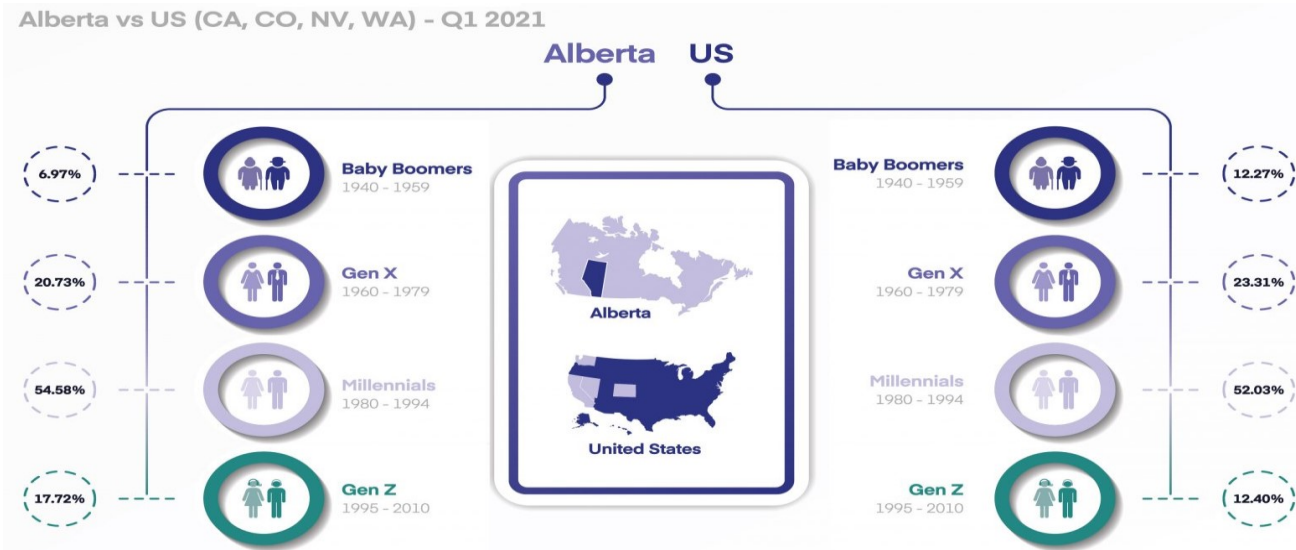
## SOCIAL

**Women and Gen Z love cannabis.** In Alberta, more Gen Z customers are trying out new products like vape products (23.77%) than their oldest-generation counterparts (10.66%). While the middle children, Millennials and Gen X, have started to dabble as more products become available (18.43% and 14.96%, respectively), at the end of the day all generations can agree that some good bud is their favorite. The most noticeable difference between Canadian and the U.S. consumers, according to Headset, is that Gen Z customers drive a higher portion of sales in Canada, compared to down south. While this could be due to Canada’s softening stigma surrounding cannabis use, it’s likely due to the lower legal age requirement to buy it in Alberta, where the legal age is 18, versus 21 in the U.S. In the U.S., only 32%, around one-third, of cannabis sales came out of women’s wallets. In Canada, however, the split is closer to 60/40. [Read More](#) (Cannabis Retailer)

Chart 7: Category Sales Share by Age Group



### Chart 8: Sales Share by Age Group



Source: Intro-act, Headset.io, Cannabis Retailer

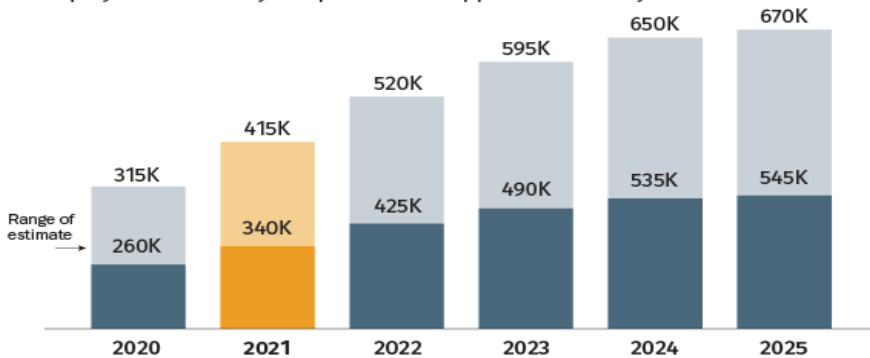
**Cannabis job growth fueled by sales, new markets.** Job growth in the cannabis industry will be fueled by sustained sales growth and the launch of new state markets, especially on the recreational side of the business. According to analysis from the 2021 MJBizFactbook, the marijuana industry will employ 340,000-415,000 full-time equivalent workers across the U.S. in 2021 and grow to 545,000-600,000 by 2025. These figures account for workers directly employed by cannabis businesses, including budtenders and extraction technicians, as well as employees of ancillary companies that support the marijuana industry such as consultants and lawyers. The retail sector constitutes most of the jobs in the cannabis industry, driven by requirements in nearly all states to sell marijuana – both adult use and medical – in distinct physical locations. [Read More](#) (Marijuana Business Daily)

### Chart 9: New Markets to Fuel Cannabis Job Growth

Sustained sales growth and the launch of new state markets, especially on the recreational side of the industry, will continue to fuel cannabis job growth for the foreseeable future.

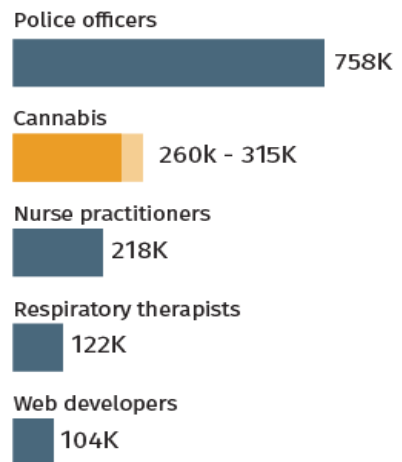
#### U.S. cannabis industry full-time employment estimates

Number of workers directly employed by cannabis businesses as well as employees of ancillary companies that support the industry.



#### Compared to other industries

Cannabis employment in 2020 compared to other industries.

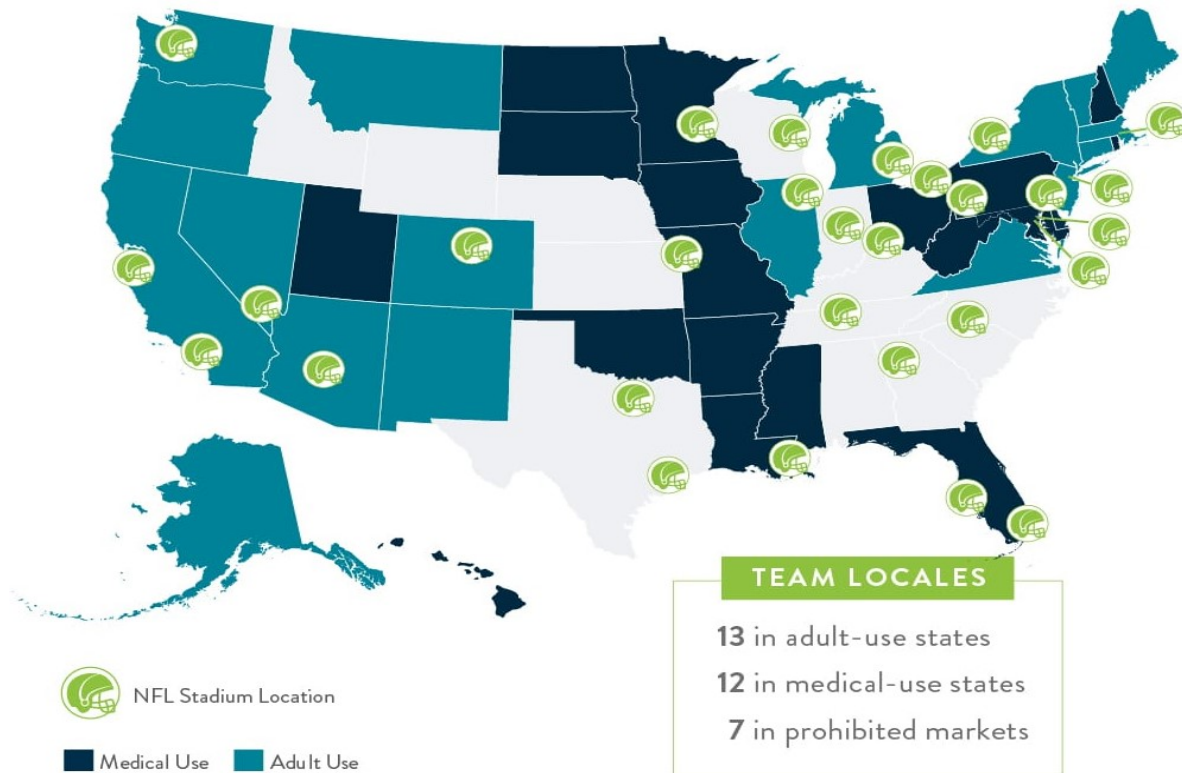


Source: Intro-act, MJBizFactbook, Marijuana Business Daily

**U.S. trials champion sprinter Sha'Carri Richardson tests positive for cannabis.** The Olympic dream for American sprinter Sha'Carri Richardson has been crushed by cannabis. The 5-foot-1 track and field star rose to fame in 2019 as a freshman at Louisiana State University, where she clocked 10.75 seconds in the 100-meter dash to break the NCAA record. On June 19, Richardson won the 100 meters during the U.S. Olympic Trials in Eugene, Ore., where the 21-year-old stopped the watch at 10.86 seconds to punch her ticket to the Tokyo Olympics that are scheduled to begin July 23. But Richardson's Tokyo aspirations were halted July 1, when it became public she tested positive for tetrahydrocannabinol (THC), the main psychoactive component found in cannabis, from a urinary sample collected during the team trials, as first reported by Jamaica Gleaner. [Read More](#) (Cannabis Business Times)

**The NFL opening a new playbook for cannabis and CBD.** As the National Football League (NFL) prepares to open its training camps later, it looks to be a whole new ballgame where legal cannabis is concerned. The league and the NFL Players Association announced their joint funding of a combined \$1 million in research pilot studies to better quantify the effects of cannabis and CBD regarding athletic performance, pain management, and non-pharmacological medical treatments. By the league's own mission statement, its "intent is to demonstrate the potential for translational breakthroughs by leveraging innovative research, emerging science, current data sets, and archival material related to use of alternatives to opiates in the management of pain, as well as the impact of cannabis or cannabinoids on athletic performance in elite football players." [Read More](#) (New Frontier Data)

**Chart 10: The Playing Field is Changing for the NFL and Cannabis**



Source: Intro-act, New Frontier Data

## INTERNATIONAL

**Rise of European cannabis trade groups underscores growth of legal markets.** As the European legal cannabis industry becomes increasingly organized, several bodies have been established to represent various interests within the sector, projected as the world's largest combined legal cannabis and hemp market. Some are member or trade organizations, while others are lobbying and advocacy bodies; some operate within specific industry subsectors (i.e., hemp, medicinal, CBD or legalization). Some combine each of those interests. The latest body to emerge in the U.K. is the Cannabis Industry Council (CIC) – a trade organization representing cannabis businesses and working groups, and aiming to become "the first representative cannabis body dedicated to advancing the U.K.'s cannabis sector". [Read More](#) (New Frontier Data)

**Chart 11: Cannabis Trade Bodies in Europe**



Source: Intro-act, SCMP.com, New Frontier Data

**CBD products given the all-clear by France’s most senior court.** France’s highest court has ruled that CBD – including CBD flowers – are legal in the country. The decision referenced last year’s KanaVape judgement which ruled the French authorities had acted unlawfully in prosecuting two businessmen who imported CBD flowers from the Czech Republic in 2014 – as CBD is ‘not a narcotic’. In 2019 the owner of the Foxseeds CBD store received a two-month suspended prison sentence in relation to the sale of ‘flowering cannabis tops containing trace amounts of THC’. However the Court of Cassation has now ruled that the lower court had not established whether the substances seized had been legally produced in another member state of the European Union, and rejected its decision. The ruling has been broadly welcomed – with some caveats – by the French cannabis industry. [Read More](#) (BusinessCann)

**German voters may decide marijuana legalization in upcoming election.** With millions of people in Germany, in particular, using such "Illegal drugs" the situation has propelled parliament to make the possibility of legalizing cannabis a political agenda. Politicians are now talking about new approaches to drug control that will enable Germany to tap into the economic potentials cannabis has to offer. Irrespective of crackdowns on cannabis dispensaries in Europe, the Europe Monitoring Center for Drug Addiction (EMCDDA) released figures suggesting that almost 30% of adult Europeans will attempt smoking cannabis. With the topic now being an election campaign issue and four out of the six political parties taking action, the possibility of legalizing cannabis in Germany is becoming real. [Read More](#) (Cannabis.net)

**Mexico supreme court strikes down laws that ban use of recreational marijuana.** Mexico’s supreme court has struck down laws prohibiting the use of recreational marijuana, moving the country toward cannabis legalization even as the country’s congress drags its feet on a legalization bill. In an 8-3 decision, the court ruled that sections of the country’s general health law prohibiting personal consumption and home cultivation of marijuana were unconstitutional. Adults wanting to cultivate and consume their own cannabis will be able to apply for permits from the health secretariat. Criminal penalties for possessing more than five grammes of marijuana or selling the drug remain in place. [Read More](#) (The Guardian), [More](#) (Ganjapreneur), and [More](#) (NORML)

**North Macedonian cannabis flowers to be exported to Europe for first time.** Medical cannabis could be a boost to the North Macedonian economy, with NYSK and PharmaCann Polska – both subsidiaries of Warsaw-based PHCann International – leading the way. NYSK has become the first North Macedonian concern to receive a license to export dried cannabis flowers into the EU as an active pharmaceutical substance. Intended for the Polish market, the move opens up a wealth of possibilities for NYSK Holdings, PharmaCann Polska and their parent company PHCann International. NYSK founder and PHCann International’s chief executive, Zlatko Keskovski, describes it as a ‘game changer’, a ‘huge milestone for us as well as North Macedonia’. [Read More](#) (BusinessCann)

**Rwanda legalizes medical cannabis.** Doctors in Rwanda can now prescribe medical cannabis to patients, following a new ministerial order passed by legislators to recognize the medical value of the plant and legalize its medicinal use. The order, which was passed on June 28, follows an October 2020 decision to legalize the cultivation of medical cannabis, but only for international export. This new order to legalize medical cannabis for domestic consumption brings Rwanda in line with a number of other African countries, including Lesotho, Morocco, Uganda, and Zimbabwe. The new law will not limit the type of conditions that medical cannabis can be prescribed for, but prescriptions will only be able to be given out by specialist doctors. [Read More](#) (Analytical Cannabis)

## CANNA SCIENCE

**America's pot labs have a THC problem.** Weed shoppers use THC percentages like nutritional labels, purchasing products based on their THC content, yet the lab system entrusted with measuring the compound is vulnerable to corruption. Laboratories across the country have been suspended or fined for manipulating potency results, having deficient procedures for detecting contaminants like mold or faking those contaminant tests altogether. Corrupt labs are cheating customers out of the pot they think they're buying, and the industry's potential problems with lab fraud are unlikely to go away as more states legalize weed and regulations grow increasingly dependent on measuring THC. Experts say that lab corruption is widespread because the incentives to cheat are too high and enforcement is mostly ineffective. "The people paying for the tests are happier to get inaccurate tests that say [their products] are more potent than they really are," said Don Land, a professor of chemistry and forensics at the University of California. [Read More](#) (FiveThirtyEight)

**CBD microcapsules can improve absorption, study finds.** In a new study, published in PLOS One and funded by industry partner Zelira Therapeutics, the researchers report that microcapsules of CBD can more effectively resist degradation from oxidation and stomach acid during ingestion and are able to enhance the absorption of CBD through the gastrointestinal tract and into the bloodstream. Lead researcher and associate professor Ryu Takechi said: "In this study, we were able to show for the first time that a bile acid actually increased the uptake and retention of cannabidiol within the brain. This shows that bile acids, could be used to enhance the delivery of cannabidiol when taken orally, particularly when treating neurological disorders. Further research is needed to test whether this type of drug delivery method could be successful in human studies, but our findings are very promising." [Read More](#) (Analytical Cannabis)

## TECHNOLOGY

**In the push against cash, cannabis FinTech meets the industry where it is.** Despite expanding legalization of cannabis, businesses operating legally in the space face no shortage of headaches when it comes to getting banked, accessing loans and having access to the critical financial services any company needs to operate. Designed to make banking and payments easier for businesses, Dama is part of a growing community of B2B solution providers helping the cannabis industry to leapfrog into a digital-first financial management strategy. Yet not every company is necessarily ready to overhaul back-office operations that were designed to support a high volume of cash. Dama Financial collaborates with banks to bridge their services to legal cannabis businesses. Such an intermediary is a necessity for many financial institutions that, while they may be interested in banking this sector, lack the resources required to onboard and service these firms. [Read More](#) (PYMTS)

**Apple now allows marijuana businesses on its app store, while Google maintains ban.** Apple will no longer prohibit marijuana delivery services from being hosted on its App Store—one of the latest pro-cannabis developments to come out of the tech industry. The policy was updated last month to remove the ban, with some restrictions. A marijuana app must be geo-restricted to jurisdictions where cannabis is legal, and the program must be "submitted by a legal entity that provides the services, and not by an individual developer." In contrast, Google's Android app hub updated its policy in 2019 to explicitly prohibit programs that connect users with cannabis, no matter whether it is legal in the jurisdiction where the user lives. "We don't allow apps that facilitate the sale of marijuana or marijuana products, regardless of legality," it says, adding that some examples of violations would be "allowing users to order marijuana through an in-app shopping cart feature" or "assisting users in arranging delivery or pick up of marijuana." [Read More](#) (Marijuana Moment)

**Drones offer outdoor cannabis cultivators precise solutions.** Move over, tractors – drones might play a large role in the future of sustainable cannabis cultivation. Drones can save growers money while improving access to crops and providing services during off-peak hours. This all helps producers maximize time and resources while minimizing soil compaction caused by conventional equipment. Companies that make agricultural drones say they can offer marijuana and hemp cultivators economically and environmentally sustainable help with a range of applications, including: 1) land surveying, photography and scouting, 2) precision seed planting, and 3) application of fertilizer and pest-control products. Its benefits include: advancing technology, drones reduce carbon, live precision application, labor savings, and cost comparison [Read More](#) (Marijuana Business Daily)

## LEGAL & IP

**Cannabis companies reach settlement in acquisition lawsuit.** A settlement has been reached in a lawsuit brought by cannabis investing consultant Arcadian Capital related to marijuana company Cura Partners’ acquisition by [Curaleaf \(CURLF\)](#). Cura Partners was acquired by Curaleaf in 2019 in a deal initially valued at nearly \$950 million. The deal was later amended to reduce the value of the acquisition. Arcadian Capital claimed in a federal court lawsuit that it was owed 3%, or about \$11.7 million, of the acquisition in light of a 2018 consulting agreement between Arcadian and Cura. Cura argued that the contract was a sham because Arcadian provided no consulting services after an initial meeting. The notice did not specify any details of the settlement between the Arcadian and Cura Partners. [Read More](#) (Marijuana Business Daily)

## SUSTAINABILITY

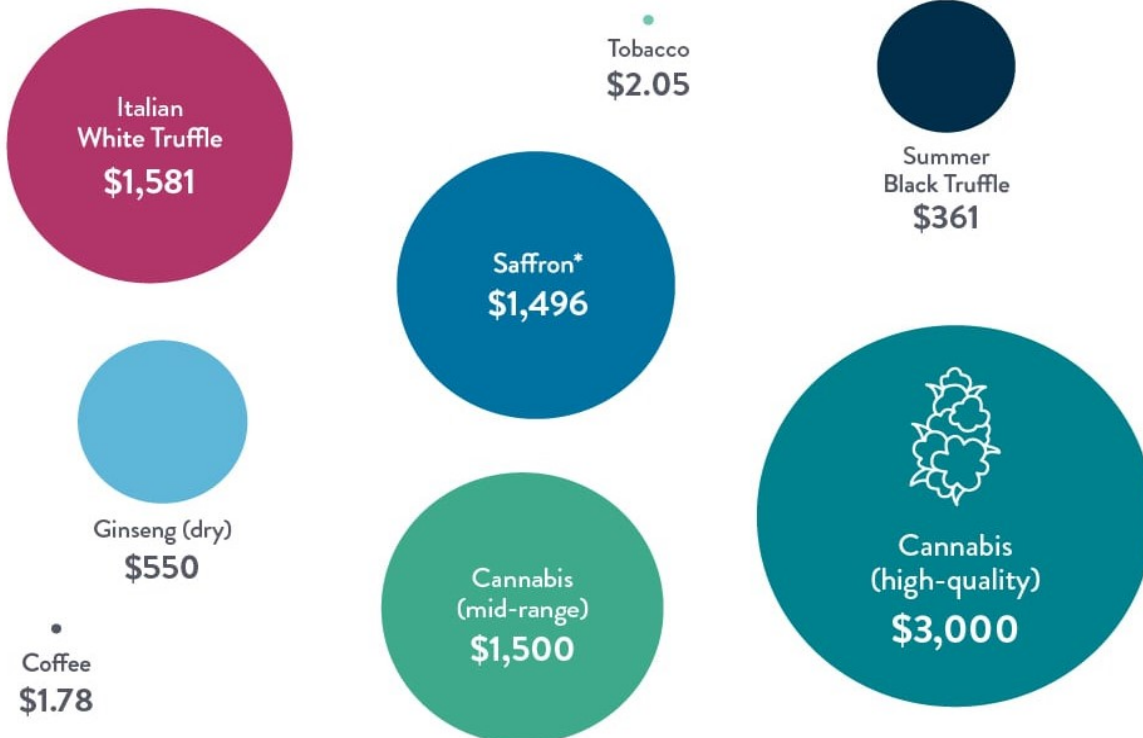
**NM Gov. pledges equity in budding cannabis industry.** Cannabis became legal for adults in New Mexico over the age of 21 to grow and possess. Equity and social justice provisions related to cannabis legalization were key battlegrounds during the 2021 regular and special legislative sessions. The slate of bills ultimately signed into law by the governor includes provisions expunging any arrests or convictions for conduct now made legal by the act from state court records, and providing a number of microbusiness licenses designed to allow smaller producers to enter the new industry. Gov. Michelle Lujan Grisham said the state’s approach was designed to include smaller communities outside the Interstate 25 corridor, which often get left out of statewide initiatives. [Read More](#) (Albuquerque Journal)

## CANNA FACTS

Chart 12: Cannabis: One of the World’s Most Valuable Cash Crops

### Valuable Crops

\$USD per lb.



\*Average Price in Delhi, India 2020

Source: Intro-act, New Frontier Data, Saffron, Statista.com; Ginseng, WVforestry.com; Coffee & Tobacco, USDA Library at Cornell.edu; Truffles, Truffle.farm

## ETF SPOTLIGHT

### THCX The Cannabis ETF (NYSEARCA: THCX)

<b>Closing Price (7/2/21)</b>	\$17.09	<b>1 Week NAV Change</b>	0.22 (-1.27%)	<b>NAV Change (YTD)</b>	37.52%
<b>AUM (as of 7/2/21)</b>	\$151.5 Mn	<b>Fund Inception</b>	7/8/2019	<b>Expense Ratio</b>	0.70%

THCX: the pure-play ETF solution for investing in cannabis. Supported by favorable regulatory trends, increasing use cases and growing public acceptance, cannabis is one of the fastest growing current investment themes. To put the opportunity into perspective, the global cannabis market is estimated to reach \$630 billion by 2040. THCX was constructed to make investing in cannabis easier by helping investors get exposure to a basket of stocks that are expected to benefit from growth of the hemp and legal marijuana industries. THCX is a fund focusing mainly on North American cannabis companies, specifically in the U.S. and Canada. The initial universe of Index constituents consists of publicly listed Cannabis Companies that are involved in the legal cannabis industry. “Cannabis” is defined as (i) marijuana (or products derived from marijuana) and (ii) hemp (or products derived from hemp, which includes CBD-based products (i.e., products that contain cannabidiol).

### Monthly Market Performance (Month Ending 6/30/2021)

One Month	Two Months	Three Months	YTD	One Year	Inception
-3.90%	-6.42%	-9.77%	37.23%	82.58%	-13.16%

### Quarterly Market Performance (Quarter Ending 6/30/2021)

One Month	Two Months	Three Months	YTD	One Year	Inception
-3.90%	-6.42%	-9.77%	37.23%	82.58%	-13.16%

### Top 10 Holdings (updated as of 7/2/21)

Ticker	CUSIP	Company	% of Fund	Quantity
TLRY	88688T100	Tilray Inc	6.59%	577,584
CGC	138035100	Canopy Growth Corp	6.31%	409,432
VFF	92707Y108	Village Farms International	5.85%	840,541
GRWG	39986L109	GrowGeneration	5.64%	173,848
AMRS	03236M200	Amyris Inc	4.78%	434,297
CRON	22717L101	Cronos Group Inc	4.75%	859,871
FAF CN	318108107	Fire & Flower	4.54%	7,754,767
RIV CN	768014102	Riv Capital INC	4.47%	3,927,271
HYFM	44888K209	Hydrofarm Holdings	4.45%	118,625
OGI	68620P101	Organigram Holdings	4.31%	2,385,631

For more information on THCX visit: <https://thcxfund.com/fund/>

## CANNA CAPITAL MARKET TRENDS

Chart 13: Weekly Summary (June 21 – June 25, 2021)

Week 25 \$ Million	# of Deals	Capital Raises \$ Raised	Avg. Size	M&A # of Deals
2021	4	\$99.5	\$24.9	7
2020	3	\$59.6	\$19.9	2

### EQUITY RAISES

Company	Public/Private	Ticker - Market	Alternative Ticker - Market	Sector	Segment	Amount Raised (\$ Millions)	Warrants	Type	Deal Type
Cannara Biotech Inc.	Public	LOVE - TSXV	LOVFF - OTCQB	Cultivation & Retail	Touching the Plant	\$15.69	-	Common	Non-Brokered Private Placement
BetterLife Pharma Inc.	Public	BETR - CSE	BETRF - OTCQB	Biotech/Pharma	Touching the Plant	\$0.18	500,000	Common	Over-Allotment Option from Marketed Public Offering

### DEBT RAISES

Company	Public/Private	Ticker - Market	Alternative Ticker - Market	Sector	Segment	Amount Raised (\$ Millions)	Coupon	Type of Debt	Term	Deal Type
Pharmacann Inc.	Private	-	-	Cultivation & Retail	Touching the Plant	\$79.00	12.0%	Undisclosed	4.0	Private Senior Secured Notes Offering
Cannara Biotech Inc.	Public	LOVE - TSXV	LOVFF - OTCQB	Cultivation & Retail	Touching the Plant	\$4.63	4.0%	Convertible	2.0	Private Placement

### MERGERS & ACQUISITIONS

Acquirer/Buyer					Deal Details					Target/Seller					
Company	Public/Private	Ticker - Market	Sector	Segment	Deal Type	Total Consideration Value (\$ Millions)	Upfront Cash (\$ Millions)	Earn-Out (\$ Millions)	Stock (\$ Millions)	Sellers Notes	Company	Public/Private	Ticker - Market	Sector	Segment
Canopy Growth Corp.	Public	WEED - TSX	Cultivation & Retail	Touching the Plant	Acquisition	\$426.16	\$213.08	-	\$213.08	-	Supreme Cannabis Company, Inc.	Public	FIRE - TSX	Cultivation & Retail	Touching the Plant
The Valens Company Inc.	Public	VLNS - TSX	Infused Products & Extracts	Touching the Plant	Acquisition	\$60.00	\$14.60	\$20.00	\$25.40	-	Green Roads	Private	-	Hemp	Touching the Plant
Cannara Biotech Inc.	Public	LOVE - TSX	Cultivation & Retail	Touching the Plant	Acquisition of Cultivation Facility	\$26.58	\$26.58	-	-	-	Medican Organic Inc.	Private	-	Cultivation & Retail	Touching the Plant
Little Green Pharma Ltd	Public	LGP - ASX	Cultivation & Retail	Touching the Plant	Acquisition of Cultivation Facility	\$16.25	\$8.12	-	-	\$8.12	Canopy Growth Corp.	Public	WEED - TSX	Cultivation & Retail	Touching the Plant
Halo Collective Inc.	Public	HALO - NEO	Infused Products & Extracts	Touching the Plant	Acquisition	\$6.47	-	-	\$6.47	-	Subsidiary of Elegance Brands Inc.	Private	-	Infused Products & Extracts	Touching the Plant
Vest Science, Inc.	Public	VEST - CSE	Cultivation & Retail	Touching the Plant	Acquisition	\$4.30	\$4.30	-	-	-	Vacant 72,000 sq. ft. Industrial	Private	-	Cultivation & Retail	Touching the Plant
Global Hemp Group Inc.	Public	GHG - CSE	Hemp	Touching the Plant	Acquisition	\$1.40	\$1.40	-	-	-	Property in Northwest Colorado	Private	-	Hemp	Touching the Plant

Chart 14: Cannabis Capital Raises by Week (2021)

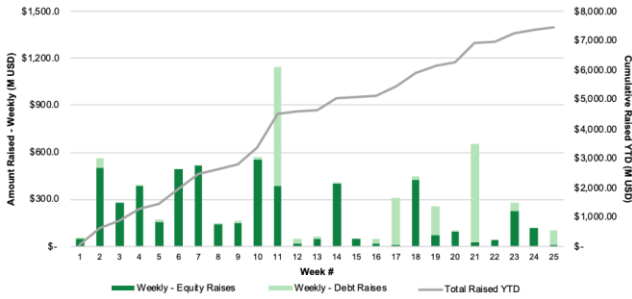


Chart 15: Cannabis M&A by Week (2021)

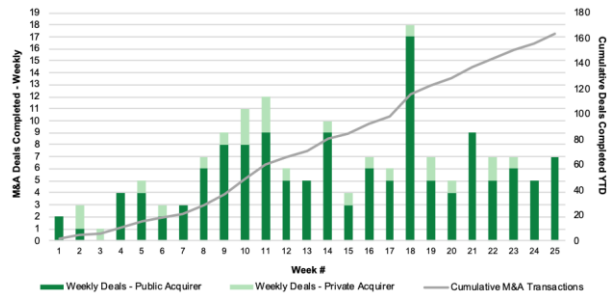
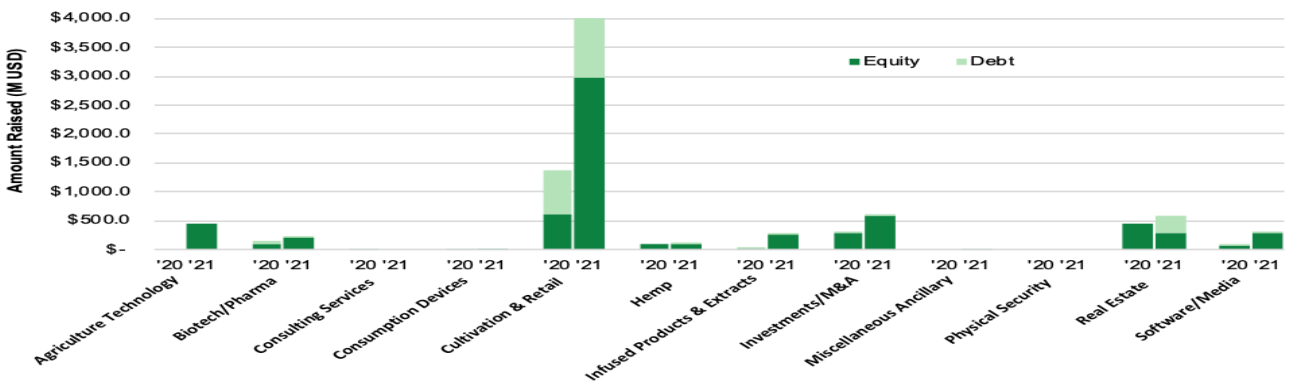
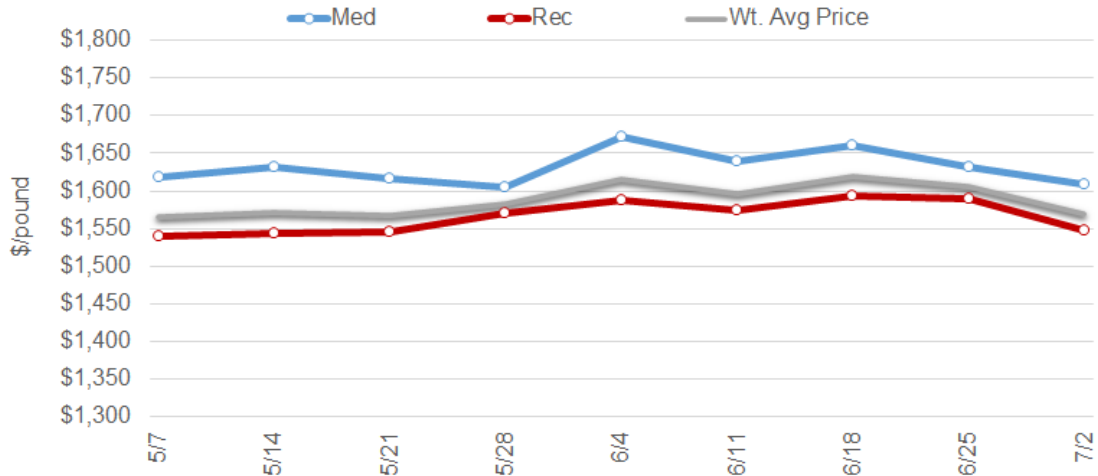


Chart 16: Capital Raises by Sector



## CANNA PRICES – WEEKLY TREND

Chart 17: U.S. Cannabis Spot Price (Week Ending July 2, 2021)



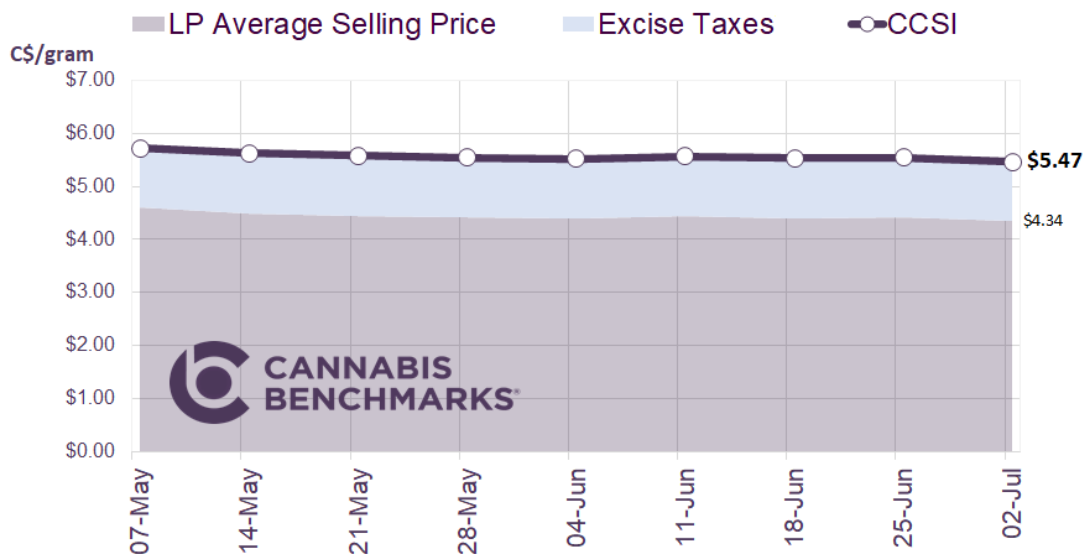
Source: Intro-act, Cannabis Benchmarks Price Index

Chart 18: U.S. Implied Forward Prices (Week Ending July 2, 2021)

Delivery Month	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22
This Week's Forward Price	\$1,655	\$1,655	\$1,655	\$1,640	\$1,625	\$1,610
Last Week's Forward Price	\$1,655	\$1,655	\$1,655	\$1,640	\$1,625	n/a
Change	\$0	\$0	\$0	\$0	\$0	n/a
Premium/Discount to Spot	5.5%	5.5%	5.5%	4.5%	3.6%	2.6%

Source: Intro-act, Cannabis Benchmarks Price Index











Chart 19: Canada Cannabis Spot Index (Week Ending July 2, 2021)



Source: Intro-act, Cannabis Benchmarks Price Index










## CANNA BRANDS AND PRODUCTS RANKING – STATE IN FOCUS: COLORADO

**Chart 20: Best-Selling Flower Brands and Products in Colorado**

RANK	BRAND	PRODUCT	AVG. PRICE	SALES (30DAY)
1		<b>Sativa (Eighth)</b> Willie's Reserve	\$34.06	
2		<b>Hybrid (Eighth)</b> Willie's Reserve	\$33.81	
3		<b>Indica (Eighth)</b> Willie's Reserve	\$33.80	
4		<b>Velo (3.5g)</b> Nectarbee	\$37.61	
5		<b>Gelato Cake (3.5g)</b> Nectarbee	\$43.12	











Source: Intro-act, Headset

**Chart 21: Best-Selling Edibles Brands and Products in Colorado**

RANK	BRAND	PRODUCT	AVG. PRICE	SALES (30DAY)
1		<b>Sour Variety Pack Gummies 10-Pack (100...</b> NFuzed	\$8.88	
2		<b>Sativa Assorted Sour Gummies 10-Pack (1...</b> Wana	\$19.19	
3		<b>Indica Assorted Sour Gummies 10-Pack (1...</b> Wana	\$18.48	
4		<b>Hybrid Huckleberry Gummies 10-Pack (10...</b> WYLD	\$14.44	
5		<b>Indica Marionberry Gummies 10-Pack (10...</b> WYLD	\$14.52	











Source: Intro-act, Headset

**Chart 22: Best-Selling Vapor Pen Brands and Products in Colorado**

RANK	BRAND	PRODUCT	AVG. PRICE	SALES (30DAY)
1		<b>Sesh Cartridge (Gram)</b> Craft / Craft 710	\$23.85	
2		<b>Blueberry Cartridge (0.5g)</b> Nectarbee	\$21.68	
3		<b>Super Lemon Haze Disposable Vape Pen (...)</b> Magnitude	\$32.44	
4		<b>Sativa CO2 Cartridge (Gram)</b> Eureka!	\$36.05	
5		<b>Banana Kush Disposable Vape Pen (1g)</b> Magnitude	\$32.36	

Source: Intro-act, Headset

**Chart 23: Best-Selling Beverage Brands and Products in Colorado**

RANK	BRAND	PRODUCT	AVG. PRICE	SALES (30DAY)
1	 STILLWATER	<b>Ripple - Pure Dissolvable 10-Pack (100mg)</b> Stillwater	\$20.47	
2		<b>Bubba Kush Root Beer Soda (10mg, 355ml)</b> Keef Cola	\$5.20	
3		<b>Orange Kush Classic Soda (10mg)</b> Keef Cola	\$5.23	
4		<b>Lemonade Mocktail (100mg)</b> Keef Cola	\$16.17	
5		<b>Blue Razz Soda (10mg)</b> Keef Cola	\$5.14	











Source: Intro-act, Headset

**Chart 24: Best-Selling Capsules Brands and Products in Colorado**

RANK	BRAND	PRODUCT	AVG. PRICE	SALES (30DAY)
1	<b>1906</b>	<b>CBD/THC 1:1 Midnight Drops 20-Pack (10...</b> 1906	\$24.18	
2	<b>1906</b>	<b>CBD/THC 1:1 Bliss Drops 20-Pack (100mg...</b> 1906	\$24.26	
3	<b>1906</b>	<b>CBD/THC 5:1 Chill Drops 20-Pack (500mg...</b> 1906	\$23.42	
4	 STRATOS	<b>Sativa Energy Tablets 10-Pack (100mg)</b> Stratos	\$18.64	
5		<b>Sleep Indica Tablet (5mg)</b> Pressies	\$2.53	

Source: Intro-act, Headset

**Chart 25: Best-Selling Topical Brands and Products in Colorado**

RANK	BRAND	PRODUCT	AVG. PRICE	SALES (30DAY)
1		<b>CBD/THC 1:1 Transdermal Patch (5mg CB...</b> Mary's Medicinals	\$8.55	
2		<b>CBN Transdermal Patch (10mg CBN)</b> Mary's Medicinals	\$8.53	
3		<b>CBD/THC 1:1 Symphony Bath Bomb 3-Pa...</b> Coda Signature	\$27.53	
4		<b>THC Indica Transdermal Patch (20mg)</b> Mary's Medicinals	\$8.17	
5		<b>THC Sativa Transdermal Patch (20mg)</b> Mary's Medicinals	\$8.66	

Source: Intro-act, Headset



## CANNA EVENTS CALENDAR

**Chart 26: Cannabis Company Events Calendar – Upcoming Conference Calls**

Date	Company	Ticker	Web Access	Phone Dial-In
07/08/21: 04:30 P.M. ET	<a href="#">KushCo Holdings</a>	(OTC:KSHB)	<a href="#">Webcast</a>	1-877-407-9124
08/09/21: 05:00 P.M. ET	<a href="#">Curaleaf Holdings</a>	(CSE: CURA)/(OTC: CURLF)	<a href="#">Webcast</a>	1-888-317-6003 passcode 1222509
08/10/21: 08:30 A.M. ET	Verano Holdings	(CSE: VRNO)/(OTC: VRNOF)	<a href="#">Webcast</a>	
08/11/21: 05:00 P.M. ET	<a href="#">Green Thumb Industries</a>	(CSE: GTII)/(OTC: GTBIF)	<a href="#">Webcast</a>	1-866-777-2509 passcode 10157973
08/12/21: 08:00 A.M. ET	<a href="#">Columbia Care</a>	(NEO: CCHW)/(CSE: CCHW)/(OTC: CCHWF)	<a href="#">Webcast</a>	1-877-407-8914
08/16/21: 09:00 A.M. ET	<a href="#">Delta 9 Cannabis</a>	(TSX: DN)/(OTC: DLTNF)		1-877-674-6060 passcode 949425 #

Source: Intro-act, New Cannabis Ventures

**Chart 27: Cannabis Company Events Calendar – Recent Conference Calls**

Date	Company	Ticker	Replay
06/30/21: 11:00 A.M. ET	<a href="#">WeedMD</a>	(TSX:WMD)/(OTC:WDDMF)	<a href="#">Webcast</a>
06/29/21: 08:30 A.M. ET	<a href="#">High Tide</a>	(TSX: HITI)/(NASDAQ: HITI)	1-855-859-2056 passcode 7149144
06/23/21: 10:30 A.M. ET	<a href="#">Body and Mind</a>	(CSE: BAMB)/(OTC: BMMJ)	1-888-390-0541 passcode 306817#
06/15/21: 08:30 A.M. ET	<a href="#">Fire &amp; Flower</a>	(TSX: FAF)/(OTC: FFLWF)	1-888-390-0541 passcode 122820#
06/14/21: 08:30 A.M. ET	<a href="#">HEXO Corp</a>	(TSX: HEXO)/(NYSE: HEXO)	<a href="#">Webcast</a>
06/09/21: 09:00 A.M. ET	<a href="#">Jushi Holdings</a>	(CSE: JUSH)/(OTC: JUSHF)	<a href="#">Webcast</a>
06/03/21: 09:00 A.M. ET	<a href="#">RIV Capital</a>	(TSX: RIV)/(OTC: CNPOF)	<a href="#">Webcast</a>
06/01/21: 10:00 A.M. ET	<a href="#">Canopy Growth</a>	(TSX: WEED)/(NASDAQ: CGC)	<a href="#">Webcast</a>
06/01/21: 08:30 A.M. ET	<a href="#">Indiva Limited</a>	(TSX:NDVA)/(OTC:NDVAF)	1-877-674-6060 passcode 464934#
05/31/21: 10:00 A.M. ET	<a href="#">WeedMD</a>	(TSX: WMD)/(OTC: WDDMF)	1-800-319-6413 passcode 6629
05/31/21: 08:30 A.M. ET	<a href="#">48North Cannabis</a>	(TSX: NRTH)	1-888-231-8191 passcode 2860867
05/28/21: 05:00 P.M. ET	<a href="#">Plus Products</a>	(CSE: PLUS)/(OTC: PLPRF)	<a href="#">Webcast</a>
05/28/21: 04:30 P.M. ET	<a href="#">Cansortium</a>	(CSE: TIUM.U)/(OTC: CNTMF)	<a href="#">Webcast</a>
05/28/21: 10:00 A.M. ET	<a href="#">Khiron Life Sciences</a>	(TSX: KHRN)/(OTC: KHRNF)	<a href="#">Webcast</a>
05/28/21: 08:30 A.M. ET	Gage Growth	(CSE: GAGE)	<a href="#">Webcast</a>
05/27/21: 05:00 P.M. ET	<a href="#">Planet 13</a>	(CSE:PLTH)/(OTC:PLNHF)	<a href="#">Webcast</a>
05/27/21: 10:00 A.M. ET	<a href="#">SLANG Worldwide</a>	(CNSX: SLNG)/(OTC: SLGWF)	<a href="#">Webcast</a>
05/27/21: 10:00 A.M. ET	<a href="#">EnWave</a>	(TSX:ENW)	<a href="#">Webcast</a>

05/27/21: 08:30 A.M. ET	<a href="#">Cresco Labs</a>	(CSE:CL)/(OTC:CRLBF)	<a href="#">Webcast</a>
05/26/21: 05:00 P.M. ET	<a href="#">Ayr Wellness</a>	(CSE: AYR.A)/(OTC: AYRWF)	<a href="#">Webcast</a>
05/26/21: 08:00 A.M. ET	Vext Science	(CSE: VEXT)/(OTC: VEXTF)	<a href="#">Webcast</a>
05/25/21: 05:00 P.M. ET	<a href="#">TILT Holdings</a>	(CSE: TILT)/(OTC: TLLTF)	<a href="#">Webcast</a>
05/25/21: 05:00 P.M. ET	<a href="#">Golden Leaf Holdings</a>	(CSE: GLH)/(OTC: GLDFF)	<a href="#">Webcast</a>
05/25/21: 04:30 P.M. ET	POSaBIT Systems Corporation	(CSE: PBIT)/(OTC: POSAF)	<a href="#">Webcast</a>
05/24/21: 05:00 P.M. ET	<a href="#">4Front</a>	(CSE: FFNT)/(OTC: FFNTF)	<a href="#">Webcast</a>
05/19/21: 08:30 A.M. ET	<a href="#">TerrAscend</a>	(CSE: TER)/(OTC: TRSSF)	<a href="#">Webcast</a>
05/18/21: 05:00 P.M. ET	Ascend Wellness	(CSE: AAWH.U)	<a href="#">Webcast</a>
05/18/21: 12:00 P.M. ET	Nova Cannabis	(TSX: NOVC)	1-800-408-3053 passcode 1361632#
05/18/21: 12:00 P.M. ET	<a href="#">Alcanna</a>	(TSX: CLIQ)	1-800-408-3053 passcode 1361632#
05/18/21: 10:00 A.M. ET	<a href="#">Rubicon Organics</a>	(TSXV: ROMJ)/(OTC: ROMJF)	<a href="#">Webcast</a>
05/18/21: 08:30 A.M. ET	<a href="#">Greenlane</a>	(NASDAQ: GNLN)	<a href="#">Webcast</a>
05/18/21: 08:30 A.M. ET	AgriFY	(NASDAQ: AGFY)	1-855-859-2056 passcode 3871522
05/18/21: 08:30 A.M. ET	Verano Holdings	(CSE: VRNO)/(OTC: VRNOF)	<a href="#">Webcast</a>
05/17/21: 05:00 P.M. ET	The Parent Company	(NEO: GRAM.U)/(OTC: GRAMF)	<a href="#">Webcast</a>
05/17/21: 05:00 P.M. ET	Clever Leaves Holdings	(NASDAQ: CLVR, CLVRW)	<a href="#">Webcast</a>
05/17/21: 04:30 P.M. ET	<a href="#">Terra Tech</a>	(OTC:TRTC)	<a href="#">Webcast</a>
05/17/21: 04:00 P.M. ET	HempFusion	(TSX: CBD.U)/(OTC: CBDNF)	<a href="#">Webcast</a>
05/17/21: 09:00 A.M. ET	<a href="#">Delta 9</a>	(TSX: DN)/(OTC: DLTNF)	1-877-674-6060 passcode 586812 #
05/17/21: 08:30 A.M. ET	<a href="#">MediPharm Labs</a>	(TSX: LABS)/(OTC: MEDIF)	<a href="#">Webcast</a>
05/17/21: 08:00 A.M. ET	<a href="#">Columbia Care</a>	(CSE: CCHW)/(NEO: CCHW)/ (OTC: CCHWF)	<a href="#">Webcast</a>
05/14/21: 08:30 A.M. ET	<a href="#">Vireo Health International</a>	(CSE: VREO)/(OTC: VREOF)	<a href="#">Webcast</a>
05/14/21: 08:00 A.M. ET	<a href="#">Supreme Cannabis</a>	(TSX: FIRE)/(OTC: SPRWF)	<a href="#">Webcast</a>
05/13/21: 05:00 P.M. ET	Hydrofarm	(NASDAQ: HYFM)	<a href="#">Webcast</a>
05/13/21: 05:00 P.M. ET	<a href="#">Aurora Cannabis</a>	(NYSE: ACB)/(TSX: ACB)	<a href="#">Webcast</a>
05/13/21: 04:30 P.M. ET	Indiva Limited	(TSX: NDVA)/(OTC: NDVAF)	1-877-674-6060 passcode 254765
05/13/21: 04:30 P.M. ET	IntelGenx Technologies	(TSX:IGX)/(OTC:IGXT)	<a href="#">Webcast</a>
05/13/21: 04:30 P.M. ET	<a href="#">CV Sciences</a>	(OTC:CVSI)	<a href="#">Webcast</a>
05/13/21: 04:30 P.M. ET	Schwazze	(OTC: SHWZ)	<a href="#">Webcast</a>
05/13/21: 10:00 A.M. ET	<a href="#">The Green Organic Dutchman</a>	(TSX: TGOD)/(US: TGODF)	<a href="#">Webcast</a>
05/13/21: 09:00 A.M. ET	<a href="#">GrowGeneration</a>	(NASDAQ: GRWG)	<a href="#">Webcast</a>
05/13/21: 08:30 A.M. ET	<a href="#">Trulieve</a>	(CSE: TRUL)/(OTC: TCNNF)	<a href="#">Webcast</a>
05/12/21: 05:00 P.M. ET	<a href="#">Green Thumb Industries</a>	(CSE: GTII)/(OTC: GTBIF)	<a href="#">Webcast</a>

Source: Intro-act, New Cannabis Ventures

### Chart 28: Cannabis IPO Pipeline

S. No	Company	Filing	Market	Description
1	Clover Leaf Capital	SEC	NASDAQ	SPAC
2	CWE European Holdings	SEDAR	TSX-V	German Hemp Operator
3	Franchise Cannabis Corp	SEDAR	CSE	European Cannabis Distributor
4	Grove, Inc.	SEC	NASDAQ	CBD Manufacturer
5	Hemptown Organics	SEDAR	TSX-V	Oregon CBD
6	Innovate Phytotechnologies	SEDAR	CSE	Canadian Hemp Services Provider and ACMPR Applicant
7	Northern Lights Acquisition Corp	SEC	NASDAQ	SPAC
8	Shiny Bud Corp	SEDAR	TSXV	Canadian Retailer
9	Southern Harvest Health Corp	SEDAR	CSE	European Medical Cannabis

Source: Intro-act, New Cannabis Ventures

### Chart 29: Cannabis SPAC Pipeline

S. No	Company	Filing	IPO Size (\$ Mn)	Market/Symbol	Pending	Deadline
1	Ackrell SPAC Partners I Co.	SEC	138	NASDAQ: ACKIU		12/21/21
2	BGP Acquisition Corp	SEDAR	115	NEO: BGP.U		
3	Ceres Acquisition Corp	SEDAR	120	NEO: CERE.U		12/03/22
4	Choice Consolidation Corp	SEDAR	150	NEO: CDXX.UN		02/19/23
5	Greenrose Acquisition Corp	SEC	172.5	NASDAQ: GNRS	Futureworks Shango, Theraplant & True Harvest	08/11/21
6	Merida Merger Corp I	SEC	120	NASDAQ: MCMJ NEO: MMK.U		05/07/21
7	Northern Lights Acquisition Corp	SEC	115	NASDAQ: NLITU		12/24/22
8	Silver Spike Acquisition Corp II	SEC	250	NASDAQ: SPKB		03/11/23
9	Silver Spike III Acquisition Corp	SEDAR	125	NEO: SPKC.U		11/28/22
10	Tuatara Capital Acquisition Corp	SEC	200	NASDAQ: TCAC		02/12/23
11	Tuscan Holdings Corp II	SEC	150	NASDAQ: THCA		09/30/21

Source: Intro-act, New Cannabis Ventures

**Chart 30: Cannabis Industry Events Calendar**

S. No	Event Name	Place	Date
1	Lucky Leaf Expo	DALLAS, TX	July 9 - 10, 2021
2	The Valuation Advisor's Foundation For Valuing Cannabis Enterprises	VIRTUAL	July 26 - 30, 2021
3	The 2021 Virtual Cannabis Research Conference	VIRTUAL	August 3 - 5, 2021
4	Cannabis Conference 2021	LAS VEGAS, NV	August 24 - 26, 2021
5	CannaVest EUROPE	VIRTUAL	August 25 - 26, 2021
6	Midwest Cannabis Business Conference	DETROIT, MI	August 25 - 26, 2021
7	Grow Tradefest	LAKE OZARK, MO	August 27 - 29, 2021
8	USA CBD Expo	MEDELLIN, COLOMBIA	August 28 - 29, 2021
9	NECANN Boston 2021 - New England Cannabis Convention	BOSTON, MA	Sept 10 - 12, 2021
10	Lucky Leaf Expo	OKLAHOMA CITY, OK	Sept 17 - 18, 2021
11	Midwest Cannabis Business Conference	DETROIT, MI	Sept 22 - 23, 2021
12	NECANN Atlantic City 2021	ATLANTIC CITY, NJ	October 2 - 3, 2021
13	Lucky Leaf Expo	JACKSON, MS	October 8 - 9, 2021
14	USA CBD Expo	CHICAGO, IL	October 28 - 30, 2021
15	CannaGROW Harvest: Cultivation	VIRTUAL	October 29 - 30, 2021
16	Cannabis World Congress & Business Expo	BOSTON, MA	Nov 3 - 4, 2021
17	Cannabis World Congress & Business Expo	NEW YORK, NY	Nov 4 - 6, 2021
18	Lucky Leaf Expo	HOUSTON, TX	Nov 5 - 6, 2021
19	Hemp Grower Conference	ORLANDO, FL	Nov 8 - 10, 2021
20	Oklahoma Cannabis Convention	OKLAHOMA CITY, OK	Nov 11 - 13, 2021
21	NECANN Illinois 2021	CHICAGO, IL	Dec 4 - 5, 2021
22	The Cannabis Business Summit & Expo	SAN FRANCISCO, CA	Dec 15 - 17, 2021
23	Lucky Leaf Expo	ALBUQUERQUE, NM	February 25 - 26, 2022

Source: Intro-act, Cannabis Business Times

**Chart 31: U.S. Cannabis Index**

Constituents	32
% Change	-1.28%
Open Price	111.52
Total Volume	12.67 m
52 Week High	182.37
52 Week Low	38.35



Source: Intro-act, The Marijuana Index

**Chart 32: Canada Cannabis Index**

Constituents	11
% Change	-2.93%
Open Price	198.36
Total Volume	109.58 m
52 Week High	559.70
52 Week Low	160.01



Source: Intro-act, The Marijuana Index

## COMPARABLES & COMPANY PROFILE LINKS

		Share Price	Mkt Cap (Mns)	Ent Val (Mns)	Price Performance			Sales			EBITDA			Book Value		
					% to High	% to Low	% YTD	LTM	NTM	EV/Sales	LTM	NTM	EV/EBITDA	Book/Share	P/Book	
<b>Peer Set</b>																
<b>Canadian LP - Cultivation, Processing (and Dispensing)</b>																
1	<a href="#">CANOPY GROWTH CORP</a>	<b>CGC</b>	22.88	8,969	8,610	147%	-40%	-7%	430	633	13.6 x	(269)	(122)	-	7.24	3.2 x
2	<a href="#">TILRAY INC</a>	<b>TLRY</b>	16.72	7,510	7,438	301%	-74%	102%	210	828	9.0 x	(33)	42	177.0 x	3.02	5.5 x
3	<a href="#">CRONOS GROUP INC</a>	<b>CRON</b>	8.10	3,010	1,778	95%	-39%	17%	51	87	20.5 x	(148)	(119)	-	4.23	1.9 x
4	<a href="#">HARVEST HEALTH &amp; RECREATION</a>	<b>HRVSF</b>	4.04	1,032	1,939	11%	-81%	87%	276	429	4.5 x	51	120	16.2 x	0.90	4.5 x
5	<a href="#">AURORA CANNABIS INC</a>	<b>ACB</b>	8.31	1,646	1,609	128%	-55%	0%	205	218	7.4 x	(103)	(26)	-	8.75	0.9 x
6	<a href="#">ORGANIGRAM HOLDINGS INC</a>	<b>OGI</b>	2.63	784	778	145%	-62%	98%	56	70	11.1 x	(33)	(14)	-	0.90	2.9 x
7	<a href="#">TERRASCEND CORP</a>	<b>TRSSF</b>	11.09	1,985	800	47%	-81%	169%	180	354	2.3 x	65	156	5.1 x	1.10	10.1 x
8	<a href="#">HEXO CORP</a>	<b>HEXO</b>	5.28	792	750	109%	-56%	43%	88	179	4.2 x	(12)	(0)	-	3.48	1.5 x
9	<a href="#">SUNDIAL GROWERS INC.</a>	<b>SNDL</b>	0.89	1,772	267	345%	-84%	237%	44	39	6.9 x	(8)	10	27.9 x	0.47	1.9 x
10	<a href="#">AUXLY CANNABIS GROUP INC</a>	<b>CBWTF</b>	0.21	177	256	92%	-62%	10%	51	89	2.9 x	(28)	(10)	-	0.22	0.9 x
11	<a href="#">GOODNESS GROWTH HOLDINGS</a>	<b>GDNSF</b>	1.60	124	207	140%	-71%	8%	48	89	2.3 x	(4)	11	18.5 x	0.48	3.3 x
12	<a href="#">FLOWR CORP (THE)</a>	<b>FLWPF</b>	0.18	67	105	198%	-8%	-28%	11			(16)			0.21	0.9 x
13	<a href="#">CANSORTIUM INC</a>	<b>CNTMF</b>	0.93	172	244	46%	-83%	20%	57	109	2.2 x	13	39	6.2 x	0.23	4.0 x

		Share Price	Mkt Cap (Mns)	Ent Val (Mns)	Price Performance			Sales			EBITDA			Book Value		
					% to High	% to Low	% YTD	LTM	NTM	EV/Sales	LTM	NTM	EV/EBITDA	Book/Share	P/Book	
14	<a href="#">GREEN ORGNC DUTCHMN HLD</a>	TGODF	0.27	144	129	95%	-42%	107%	28			(26)			0.25	1.1 x
15	<a href="#">FLORA GROWTH CORP.</a>	FLGC	3.62	152	137	66%	-21%			15	9.3 x		3	47.3 x	0.19	19.4 x
16	<a href="#">ALEAFIA HEALTH INC.</a>	ALEAF	0.33	108	123	228%	-12%	-12%	37	78	1.6 x		(0)	-	0.40	0.8 x
17	<a href="#">RUBICON ORGANICS INC</a>	ROMJF	1.94	108	99	75%	-8%	-31%	13	27	3.7 x		(12)	(3)	0.66	2.9 x
18	<a href="#">WEEDMD INC</a>	WDDMF	0.23	57	101	335%	-27%	20%	28				(48)		0.27	0.9 x
19	<a href="#">48NORTH CANNABIS CORP.</a>	NCNNF	0.13	29	32	176%	-73%	10%							0.12	1.1 x
20	<a href="#">VIVO CANNABIS INC.</a>	VVCIF	0.10	37	27	225%	-14%	-5%	29						0.33	0.3 x
21	<a href="#">THE HASH CORPORATION</a>	REZN-CA	0.03	9	7	158%	-12%								0.01	3.8 x

**US - Cultivation, Processing (and Dispensing) - MSO & SSO**

22	<a href="#">CURALEAF HOLDINGS INC</a>	CURLF	13.80	8,403	10,011	33%	-60%	15%	790	1,471	6.8 x	187	449	22.3 x	2.34	5.9 x
23	<a href="#">GREEN THUMB INDUSTRIES INC</a>	GTBIF	33.00	6,106	7,216	19%	-70%	35%	648	938	7.7 x	225	346	20.9 x	5.02	6.6 x
24	<a href="#">VERANO HOLDINGS CORP.</a>	VRNOF	15.90	2,084	4,772	76%	-3%			1,222	3.9 x		528	9.0 x	5.35	3.0 x
25	<a href="#">CRESCO LABS INC</a>	CRLBF	11.00	2,608	3,132	59%	-65%	12%	588	934	3.4 x	129	262	11.9 x	3.05	3.6 x
26	<a href="#">TRULIEVE CANNABIS CORP</a>	TCNNF	37.25	2,594	4,711	44%	-67%	18%	619	950	5.0 x	295	427	11.0 x	4.04	9.2 x
27	<a href="#">COLUMBIA CARE INC.</a>	CCHWF	4.65	1,471	1,312	70%	-48%	-6%	261	603	2.2 x	17	131	10.0 x	1.58	2.9 x

		Share Price	Mkt Cap (Mns)	Ent Val (Mns)	Price Performance			Sales			EBITDA			Book Value	
					% to High	% to Low	% YTD	LTM	NTM	EV/Sales	LTM	NTM	EV/ EBITDA	Book/ Share	P/ Book
28	<a href="#">GLASS HOUSE BRAND, INC.</a>														
	<b>MRCWF-OTC</b>		3.00	0		33%	-77%								
29	<a href="#">AYR WELLNESS</a>	28.60	1,397	868	31%	-75%	227%	180	484	1.8 x	66	166	5.2 x	16.13	1.8 x
30	<a href="#">VILLAGE FARMS INTL INC</a>	10.26	833	767	98%	-58%	1%	209	262	2.9 x	8	17	45.8 x	4.27	2.4 x
31	<a href="#">ACREAGE HOLDINGS INC</a>	3.58	263	436	151%	-47%	16%							3.29	1.1 x
32	<a href="#">RED WHITE &amp; BLOOM BRANDS</a>	0.89	169	279	86%	-63%	48%							0.39	2.3 x
33	<a href="#">ASCEND WELLNESS HOLDINGS, INC</a>	11.00	1,877	2,234	7%	-15%			405	5.5 x		113	19.8 x	(0.09)	-129.3 x
34	<a href="#">MARIMED INC</a>	0.91	293	342	32%	-86%	93%							0.05	19.2 x
35	<a href="#">TPCO HOLDING CORP.</a>	5.50	535	535	154%	-6%	-46%		275	1.9 x		(11)	-	0.18	31.3 x
36	<a href="#">GAGE GROWTH CORP.</a>	2.01	277	234	49%	-10%			227	1.0 x		49	4.8 x		
37	<a href="#">4FRONT VENTURES CORP.</a>	1.26	743	260	58%	-71%	548%	123	227	1.1 x	19	71	3.7 x	0.07	16.9 x
38	<a href="#">IANTHUS CAPITAL HOLDINGS, INC</a>	0.18	31	231	185%	-75%	-8%	173						0.17	1.1 x
39	<a href="#">FLOWER ONE HOLDINGS INC</a>	0.18	55	161	137%	-54%	12%	49	111	1.5 x	(28)	21	7.5 x	(0.04)	-4.4 x
40	<a href="#">DECIBEL CANNABIS COMPANY INC.</a>	0.25	86	120	21%	-81%	380%	38	59	2.0 x		10	12.7 x	0.08	3.0 x
41	<a href="#">HOLLISTER BIOSCIENCES INC</a>	0.23	54	52	82%	-75%	15%							0.05	4.8 x
42	<a href="#">TERRA TECH CORP.</a>	0.27	64	52	201%	-78%	82%							0.25	1.1 x
43	<a href="#">BODY AND MIND INC.</a>	0.35	39	40	183%	-55%	-9%							0.30	1.2 x



			Price Performance			Sales			EBITDA			Book Value				
			Share Price	Mkt Cap (Mns)	Ent Val (Mns)	% to High	% to Low	% YTD	LTM	NTM	EV/Sales	LTM	NTM	EV/EBITDA	Book/Share	P/Book
<b>CBD/Hemp</b>																
57	<a href="#">CHARLOTTE WEB HLDGS INC</a>	<b>CWBHF</b>	3.52	492	488	99%	-40%	36%	97	126	3.9 x	(21)	(1)	-	1.73	2.0 x
58	<a href="#">CBDMD INC.</a>	<b>YCBD</b>	2.81	159	142	143%	-37%	-5%	46	55	2.6 x	(7)	(3)	-	1.52	1.8 x
59	<a href="#">EMPOWER CLINICS INC</a>	<b>EPWCF</b>	0.55	185	187	258%	-97%	152%							(0.02)	-34.2 x
60	<a href="#">BETTER CHOICE COMPANY INC.</a>	<b>BTTR</b>	4.36	129	75	175%	-67%	54%							(3.00)	-1.5 x
61	<a href="#">CV SCIENCES INC</a>	<b>CVSI</b>	0.38	41	42	195%	-8%	-19%	21	23	1.8 x	(10)	(9)	-	0.11	3.4 x
62	<a href="#">HEMPFUSION WELLNESS INC</a>	<b>CBDHF</b>	0.34	40	23	982%	0%								0.17	2.0 x
<b>Downstream - Distribution/Brand/Marketing/Retail/Delivery</b>																
63	<a href="#">PLANET 13 HLDGS INC</a>	<b>PLNHF</b>	6.86	1,347	1,608	26%	-77%	23%	78	163	9.9 x	11	48	33.3 x	0.94	7.3 x
64	<a href="#">TURNING POINT BRANDS, INC</a>	<b>TPB</b>	46.29	882	1,167	32%	-48%	4%	422	440	2.7 x	101			6.35	7.3 x
65	<a href="#">JUSHI HOLDINGS INC.</a>	<b>JUSHF</b>	5.56	838	797	63%	-79%	-5%	114	272	2.9 x	6	59	13.4 x	0.50	11.1 x
66	<a href="#">ALCANNA INC</a>	<b>LQSIF</b>	5.30	212	375	26%	-52%	14%	751	780	0.5 x	58	42	8.9 x	3.97	1.3 x
67	<a href="#">HIGH TIDE INC</a>	<b>HITI</b>	7.49	356	379	77%	-80%	149%	125			17			1.86	4.0 x
68	<a href="#">NEW AGE INC.</a>	<b>NBEV</b>	2.27	310	307	100%	-37%	-14%	341	530	0.6 x	(7)	36	8.5 x	1.25	1.8 x
69	<a href="#">FIRE &amp; FLOWER HOLDINGS CORP.</a>	<b>FFLWF</b>	0.84	280	189	43%	-39%	95%	149	224	0.8 x	5	16	12.0 x	0.21	4.0 x
70	<a href="#">MEDMEN ENTERPRISES INC</a>	<b>MMNFF</b>	0.25	174	159	488%	-58%	145%	129	151	1.0 x	(174)	(8)	-	0.34	0.7 x



			Share Price	Mkt Cap (Mns)	Ent Val (Mns)	Price Performance			Sales			EBITDA			Book Value	
						% to High	% to Low	% YTD	LTM	NTM	EV/Sales	LTM	NTM	EV/EBITDA	Book/Share	P/Book
<b>Input Materials - Nutrients, Hydroponic Equipment, etc.</b>																
84	<a href="#">SCOTTS MIRACLE-GRO CO</a>	<b>SMG</b>	185.60	10,338	13,074	37%	-29%	-7%	4,960	4,707	2.8 x	951	797	16.4 x	16.89	11.0 x
85	<a href="#">HYDROFARM HOLDINGS GROUP INC.</a>	<b>HYFM</b>	58.44	2,327	2,644	63%	-29%	11%		531	5.0 x		52	51.3 x	(4.36)	-13.4 x
86	<a href="#">GROWGENERATION CORP</a>	<b>GRWG</b>	51.48	3,029	2,403	32%	-87%	54%	250	508	4.7 x	28	63	38.2 x	5.99	8.6 x
87	<a href="#">MARRONE BIO INNOVATIONS</a>	<b>MBII</b>	1.64	288	303	77%	-36%	31%	40	53	5.7 x	(9)	(4)	-	0.20	8.1 x
<b>Testing</b>																
88	<a href="#">PSYCHEMEDICS CORP</a>	<b>PMD</b>	6.85	38	44	22%	-48%	35%							2.31	3.0 x
89	<a href="#">EVIO INC</a>	<b>EVIO</b>	0.00	1	14	1900%	-27%	-35%							(0.16)	0.0 x
90	<a href="#">FLUROTECH</a>	<b>FLURF</b>	0.16	19	6	326%	-69%	332%							0.03	5.4 x
<b>Technology, Ancillary Products and Services</b>																
91	<a href="#">WM HOLDINGS</a>	<b>MAPS</b>	16.63	2,490	3,588	77%	-40%	30%							0.46	35.9 x
92	<a href="#">KUSHCO HOLDINGS INC</a>	<b>KSHB</b>	1.04	166	166	102%	-59%	30%	108	148	1.1 x	(2)	6	28.0 x	0.79	1.3 x
93	<a href="#">NEXTECH AR SOLUTIONS CORP</a>	<b>NEXCF</b>	2.21	179	89	236%	-32%	-20%	18						0.18	12.4 x
94	<a href="#">SKYLIGHT HEALTH GROUP INC</a>	<b>SLHG</b>	3.95	151	141	91%	-95%	-13%	15	77	1.8 x	(3)	9	16.5 x	0.62	6.4 x
95	<a href="#">AKERNA CORP.</a>	<b>KERN</b>	3.81	96	114	174%	-43%	18%	13						2.04	1.9 x





		Price Performance						Sales			EBITDA			Book Value		
		Share Price	Mkt Cap (Mns)	Ent Val (Mns)	% to High	% to Low	% YTD	LTM	NTM	EV/Sales	LTM	NTM	EV/EBITDA	Book/Share	P/Book	
<b>Diversified</b>																
117	<a href="#">ALTRIA GROUP INC</a>	<b>MO</b>	46.67	86,369	110,374	13%	-23%	14%	20,675	21,395	5.2 x	11,552	12,280	9.0 x	1.57	29.7 x
118	<a href="#">CONSTELLATION BRANDS</a>	<b>STZ</b>	229.46	38,607	53,806	7%	-30%	5%	8,678	8,671	6.2 x	3,210	3,285	16.4 x	64.49	3.6 x
119	<a href="#">INTERCURE LTD</a>	<b>INCR-TAE</b>	6.76	288	283	37%	-45%	33%							3.19	2.1 x
120	<a href="#">CLEVER LEAVES HOLDINGS INC.</a>	<b>CLVR</b>	9.87	246	246	97%	-19%	11%							3.30	3.0 x
121	<a href="#">TILT HOLDINGS INC</a>	<b>TLLTF</b>	0.49	159	257	53%	-56%	69%	213	282	0.9 x	18	46	5.6 x	0.77	0.6 x
122	<a href="#">SCHWAZZE</a>	<b>SHWZ</b>	2.28	96	132	43%	-54%	53%	40						2.58	0.9 x
123	<a href="#">PHARMACIELO LTD</a>	<b>PCLOF</b>	1.10	161	108	112%	-74%	2%	3	21	5.0 x	(17)	(2)	-	0.11	9.7 x
124	<a href="#">LOWELL FARMS INC.</a>	<b>LOWLF</b>	1.27	90	129	69%	-56%	11%	57	105	1.2 x	(12)	22	6.0 x	0.72	1.8 x
125	<a href="#">KHIRON LIFE SCIENCES CORP</a>	<b>KHRNF</b>	0.32	49	28	91%	-22%	47%	9	27	1.0 x	(17)	(12)	-	0.29	1.1 x



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