



FINCANNNA
CAPITAL CORP

INVESTOR
PRESENTATION

June 01, 2018

CSE: CALI
OTCQB: FNNZF



DISCLAIMER

Cautionary Note Regarding Forward-Looking Information

These materials include forward-looking statements. Such statements are based on our current beliefs and expectations and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control.

Forward-looking statements regarding Cultivation Technologies Inc. (“CTI”) which are subject to such uncertainties and contingencies include, but are not limited to the statements relating to the construction and completion and targeted production of the CTI medical cannabis facility in Coachella, California, successful production from the Interim Facility at Coachella as targeted, the ability of CTI to obtain financing for the development and operation of CTI’s projects, CTI’s business plan and access to future funding and projects, the ability of CTI to pay FinCanna interest, dividends or repayment of loans. In addition, forward-looking statements relating to CTI’s business are based on assumptions regarding the construction, completion and operations of CTI’s proposed facility, including that CTI will obtain the financing required to build and equip its proposed facility, that CTI will obtain the additional financing required to operate the facility, that construction facility is completed on time and budget, while CTI is allowed to operate on an interim basis with its existing permits, that CTI obtains state licenses to operate on a permanent basis, and that the equipment used in the cultivation of medical cannabis performs at scale in a similar way it performs at CTI’s pilot tests.

Forward-looking statements regarding Green Compliance Inc. (“GCI”) which are subject to uncertainties and contingencies beyond our control include but are not limited to the statements relating to its future level of sales, its ability to obtain financing for the development of its business, and its ability to pay FinCanna royalties.

Forward-looking statements regarding Gram Co Holdings LLC (“Gram Co”) which are subject to uncertainties and contingencies beyond our control include, but are not limited to the statements relating to its ability to complete the cannabis extraction laboratory by the end of Q3 2018, the success of its white-labeling and other marketing plans, its ability to obtain financing for the development of its business, as well as its ability to pay FinCanna royalties.

Forward-looking statements respecting growth in the Cannabis market, the size of revenue of the Cannabis market in California, FinCanna’s future revenues, the ability of FinCanna to raise financing to invest in additional projects, FinCanna’s financial forecasts, plans for expansion of FinCanna Capital Corp’s business, statements about potential market developments and trends, demand for FinCanna Capital Corp products and services, and other statements that are not historical facts are also subject to a significant uncertainty.

When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are forward-looking statements. Forward-looking statements speak only as of the date on which they are made and FinCanna Capital Corp disclaims any intention or obligation to update or revise any such statements.

Although FinCanna Capital Corp believes that the expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Such risks and uncertainties include but are not limited to, the fact that FinCanna and the companies in which it may invest are early stage companies with limited operating history and resources, execution of FinCanna’s business plan requires raising additional capital, the Cannabis market is highly regulated and those regulations and enforcement priorities of governmental authorities may change, the Cannabis market is highly competitive, technical advances in the industry as well as changing political and economic conditions present within the industry will impact the success of FinCanna and the companies in which it invests. Actual results could differ materially from the statements reflected in the forward-looking information. Recipients of this information are cautioned not to place undue reliance on these forward-looking statements.

For further information about FinCanna’s business and the associated risks, refer to the discussion under “Risk Factors” in FinCanna’s Annual Information Form and Management’s discussion and analysis available on our profile at www.sedar.com.

This document and the information available herein are not intended to provide you with any financial, accounting, tax or legal advice.



ABOUT FINCANNA CAPITAL CORP.

FinCanna Capital is a royalty company focused on the licensed U.S. medical cannabis industry. The company combines its extensive investment expertise, and industry experience to benefit its investors and portfolio companies.

Mission Statement

Our Mission is to combine extensive investment expertise, and industry experience in funding best-in-class businesses in the U.S. licensed medical cannabis industry with a focus on California.

Vision

The Company's vision is to be the capital partner of choice for high growth, best-in-class businesses focused on the licensed U.S. medical cannabis industry.

ROYALTY FINANCING

FINCANNA ROYALTY FINANCING BENEFITS TO BUSINESS OWNERS

- ▶ FinCanna’s primary objective is to form part of a “whole capital” solution for businesses in the licensed medical cannabis sector by providing capital investment for a percentage of the future revenues. It seeks to invest in best-in-class businesses by aligning the business and financial interests of existing owners and operators with those of FinCanna.
- ▶ The FinCanna Capital Solution seeks to deliver efficient long-term capital under a royalty arrangement to facilitate the growth or other specific objectives of its investees. It also endeavours to provide funds in a timely way to ensure the business opportunity is optimized.
- ▶ FinCanna’s royalty financing offering is an alternative or complement to debt and equity financing. It provides the advantage of allowing investees to maintain financial flexibility and control of their business as opposed to entering into arrangements that may include restrictive debt structures or giving up an ownership stake.



Non Dilutive – Allows owners to preserve their equity



Long-term Partnership - No exit required, economic interests aligned



Attractive Cost of Capital – Can be significantly lower than issuing equity



Tax Efficient – Royalty payments are made before tax



Flexible – Less restrictive than debt, tailored to the needs of the businesses



Autonomy – Board seat may not be required

U.S. & CALIFORNIA

- Legal Cannabis sales in California made up 27.7% of total U.S. sales in 2017 [Fig 1]
- Recent legislation in California is predicted to have a significant positive impact on U.S. licensed cannabis sales. Tom Adams of BDS Analytics expects national cannabis sales to increase from \$9 billion (2017) to \$11 billion in 2018. By 2021, sales are expected to reach \$21 billion, with California being the sales leader both by volume and revenue;^[4]
- The medical market is projected to grow at 11.8% CAGR through 2025, growing from \$5.1 billion in 2017 to an estimated \$12.5 billion in 2025^[2];
- California not only has the largest state economy in the U.S., and also sixth largest economy in the world. With legal cannabis sales totaling approximately \$2.5 billion in 2017^[1], California is recognized as a global leader of the marijuana market.

SOURCES:

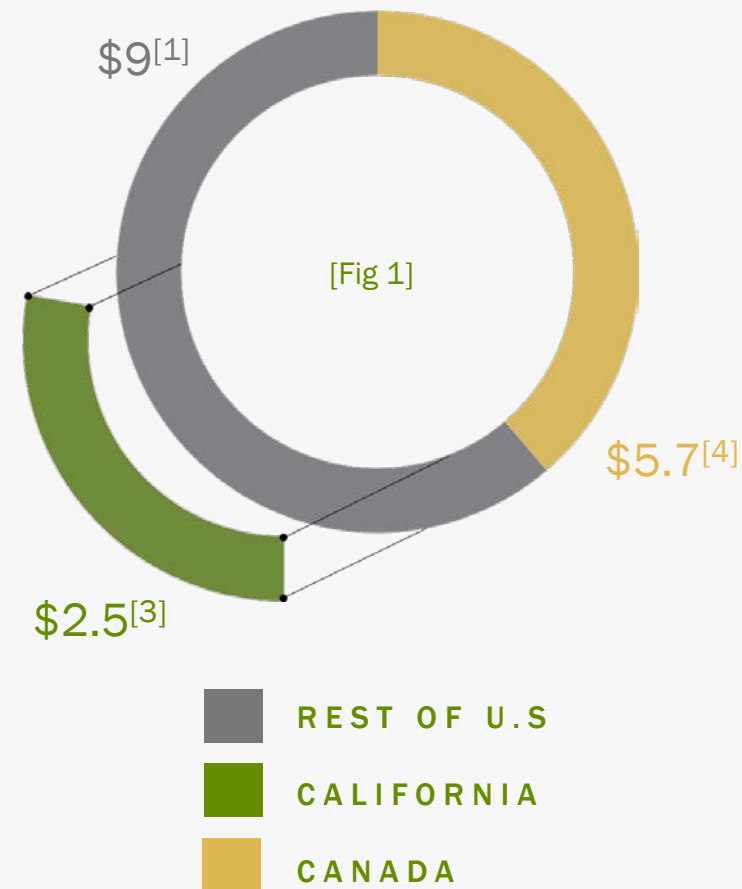
[1] <http://money.cnn.com/2018/01/31/news/marijuana-state-of-the-union/index.html>

[2] <https://globenewswire.com/news-release/2018/04/20/1482418/0/en/New-Frontier-Data-Projects-U-S-Legal-Cannabis-Market-to-Grow-to-25-Billion-by-2025.html>

[3] <https://www.3ccannabis.com/2018/01/u-s-recreational-cannabis-sales-data/>

[4] <http://www.statcan.gc.ca/daily-quotidien/180125/dq180125c-eng.htm>

LEGAL N. AMERICA
CANNABIS SALES-2017
(billion)





Architectural Renderings of the Coachella Campus

FinCanna's first investment is with Cultivation Technologies Inc. ("CTI"). CTI is comprised of a team of experts from Fortune 150 agriculture, medical cannabis, law, engineering and technology. CTI has demonstrated the ability to navigate permitting in California, the largest medical cannabis market in North America. FinCanna provides funding to CTI for its planned, fully-entitled, large-scale indoor medical cannabis facility to be developed in Coachella, Southern California.

- ▶ To be located on six acres, the 111,500 ft.² planned Coachella Campus will include vertical grow cultivation, extraction and manufacturing, testing, distribution, and centralized processing, designed to employ innovative, best-in-class solutions (the "Coachella Project"). CTI has **secured 7 megawatts of power**.
- ▶ FinCanna is entitled to complete its funding to CTI in exchange for a **Royalty of 14%** of CTI's revenues from its Coachella Project.
- ▶ FinCanna also has **the right to finance CTI's next 2 licensed cannabis facility projects** on the same terms as the Coachella Project.
- ▶ FinCanna has a **secured loan to CTI of US\$6 million** earning interest at **20% per annum**.

CTI'S INTERIM EXTRACTION FACILITY



Caption: Extraction Machine in the Interim Facility

- ▶ CTI has established an interim medical cannabis extraction facility (the “Interim Facility”) on the Coachella Property in accordance with CTI’s Conditional Use Permit;
- ▶ This lab produces licensed medical cannabis products;
- ▶ The Interim Facility can process up to 6,000 pounds of biomass per month which can produce approximately 3.7 million grams of raw oil per year, with room for expansion;
- ▶ FinCanna is entitled to receive 50% of the profits from the Interim Facility;
- ▶ It is expected that upon completion the Coachella Project will be able to process 30,000 to 50,000 pounds of biomass per month, or the equivalent of 18 million grams to 30 million grams of raw oil per year.

- ▶ Green Compliance offers a state-of-the-art enterprise compliance and point-of-sale software solution (“ezGreen”) for licensed medical cannabis dispensaries and cultivators
- ▶ Green Compliance developed the software with Automated Healthcare Solutions (“AHCS”) and has an exclusive licensing and support agreement with them
- ▶ Green Compliance has commenced sales in the United States, and its target market is every licensed operating dispensary and cultivator in the states which have passed laws legalizing medical cannabis - currently 29 states and Washington, D.C
- ▶ Under the Royalty Agreement, FinCanna will fund **US\$3 million** in tranches by September 15, 2018. In return, FinCanna will receive a perpetual **royalty equal to 10%** of consolidated gross revenues of Green Compliance, subject to certain buy-back options





Gram Co Holdings LLC

- ▶ FinCanna signed a binding term sheet with Gram Co subject to due diligence by FinCanna.
- ▶ Gram Co, based in Oakland, California, is a cannabinoid research and refinement facility focussed on the medical cannabis industry to provide B2B and B2C products and services to licensed medical dispensaries, infused product manufacturers and numerous others in the cannabis supply chain.
- ▶ Gram Co has leased a facility in Oakland, California in which they are retrofitting a large, state-of-the-art medical cannabis extraction laboratory, which is expected to be operating by the end of 2018.
- ▶ Gram Co plans to be a premier producer of bulk quantities of THC distillate and various concentrates produced via hydrocarbon-based solvent extraction, and also plans to provide white labeling services to licensed brand and infused product manufacturers who do not have direct access to compliant production facilities.
- ▶ Gram Co principles have extensive experience in extraction, manufacturing and business operations, and will also be bringing over their existing brand from their registered collective “California Extracts” to operate under the Gram Co family. California Extracts already has an existing industry following and market presence.
- ▶ Under the term sheet, FinCanna would fund **US\$3 million** in tranches. In return, FinCanna will receive a tiered **corporate royalty**, adjusted based on revenues levels, ranging from **14% to 7.5%** of Gram Co’s revenues.



Royalty Pipeline

FinCanna has an extensive network with access to top-tier projects for our pipeline of royalty opportunities. We are in the process of advancing negotiations on several royalty acquisitions. Some of the opportunities which are at the Term Sheet stage are as follows:

Business Type	Funding Amount (USD)*	Structure	Anticipated Funding	Proj. 3 year Avg Annual Revenue (2018 - 2020)	Potential Annual Royalty to FinCanna	Initial Royalty Payment (est.)
Payment Processing	\$3M	Royalty on Revenue	July / Aug 2018	\$53M	\$3.2M	6 months post funding
Consumer Products	\$1 - \$3M	Royalty on Revenue	July 2018	\$32M	\$2.24M	Immediate
Hydroponics & Horticultural Supply	\$3M	Royalty on Revenue + Preferred Shares	August 2018	\$20M	\$1.6M	Immediate

* Up to 65% of the funding amounts may be paid in shares of FinCanna

The foregoing acquisitions are at the negotiation stage and there is no guarantee that negotiations will result in binding commitment

MANAGEMENT

Andriyko Herchak, CPA, CA | PRESIDENT & CEO, DIRECTOR

Mr. Herchak has over 20 years of executive leadership experience with publicly traded companies. He was the former CFO of an international sales and marketing company generating US\$1.4 billion in annual sales and the former CFO of a mineral exploration company that raised C\$100 million and was sold for C\$650 million cash. Mr. Herchak brings extensive experience of financial raises, growing companies, and managing and deploying capital.

Robert Scott, CPA, CA , CFA | CHIEF FINANCIAL OFFICER

Mr. Scott brings over 20 years experience in corporate finance, including merchant & commercial banking with a major Canadian bank. He has served on the management teams and boards of a number of Canadian publicly traded companies.

The Board

Morris L. Reid | DIRECTOR

Mr. Reid is a globally recognized corporate & political strategist based in Washington, D.C & London. He is a partner at Mercury, a high-stakes public strategy firm representing the world's most successful companies, leading advocacy groups, governments, political parties, NGOs, & prominent public & political figures. His media contributions as an expert in political & business marketing including; CNN, CNBC, MSNBC, NYT & USA Today.

Jeffrey Tindale | DIRECTOR

Mr. Tindale has over 15 years of experience in merchant banking and corporate advisory services. Mr. Tindale brings a strong background in corporate governance, finance, mergers and acquisitions.

Gaynell Rodgers | ADVISOR TO THE BOARD

Ms. Rodgers is a senior consultant to Harborside, considered a model & the largest medical cannabis dispensary in the U.S. She was the former Senior Publicist for Lucasfilm Ltd. and was head of Feature Film Publicity for Pixar. Ms. Rodgers secured the creation of the first cannabis mini series TV show “Weed Wars” on The Discovery Channel in 2010.

Miguel Motta | ADVISOR TO THE BOARD

Mr. Motta is CTI's President & CEO. He has previously led global strategy for US\$1 billion portfolio of agricultural products as an executive for a world leading agricultural, Fortune 150 company.

SHARE STRUCTURE

Data accurate as of June 01, 2018

FINCANNA CAPITAL CORP.	
Shares Issued & Outstanding:	75,522,777
Warrants ¹	25,806,907
Options ²	6,000,000
Total Shares (Fully Diluted)	107,329,684

¹ Warrants
 \$0.30 - 14,805,666
 \$0.20 - 485,333
 \$0.50 - 420,000
 \$0.75 - 7,544,233
 \$1.05 - 2,551,675

²Options
 2,650,000 @ \$0.30
 3,350,000 @ \$0.50



CALI



FNNZF

The company has raised a total of approx. C\$17 million to date.

HIGHLIGHTS



Generational, Time-Limited, Financial Opportunity



California is the Largest Legal Cannabis Market in North America



Royalty Model is Very Attractive for Operators and FinCanna



Locked-in with Best-in-Class Operating Partners



Extensive Network with Access to Top-Tier Projects and Operators



Built-in Exit Strategy if Big Pharma, Big Agriculture & Big Tobacco Enter Space



CONTACT



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