ASX RELEASE

24 March 2015

PhytoTech Medical Limited and Canadian MMJ Bioscience Inc. Combine to Create a Global, Vertically-Integrated Medical Cannabis Company

Highlights

- PhytoTech Medical Limited (PYL) to merge with MMJ Bioscience Inc. (MMJ) to create a multinational vertically integrated Medical Cannabis (MC) company
- A "merger of equals" that strategically positions PYL and MMJ as a diversified, global, growth-oriented and vertically-integrated MC company, from cultivation of medical cannabis to development and distribution of pharmaceutical and nutraceutical products
- MMJ-PYL's "Farm to Pharma" strategy diversifies the merged group across all key segments of the MC value chain
- Deal consideration (based on PYL's last traded share price of $0.305) of $15.5 million in PYL scrip and an additional $5.185 million in performance shares subject to completion of value creating milestones
- Complementary strategies and asset portfolios to yield significant synergies

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- Revenue from sales of a proprietary GMP-produced gastro-resistant Cannabidiol (CBD) pill expected by July 2015
- Near-term license approval for MMJ's Duncan Facility (near Vancouver, BC) under the Marijuana for Medical Purposes Regulations (MMPR) to produce up to 700kgs of MC per annum
- Strong platform set for international growth in both the Canadian and European MC markets
- PYL has sufficient existing funds available to meet the working capital requirements of MMJ until revenues commence, meaning that the transaction does not require an equity raising by PYL

Background

PhytoTech Medical Limited (ASX:PYL), the Australian listed Medical Cannabis (MC) company, is pleased to announce that it has entered into an agreement to acquire 100% of the issued capital of MMJ Bioscience Inc. (MMJ), a Canadian based multinational vertically integrated MC company.

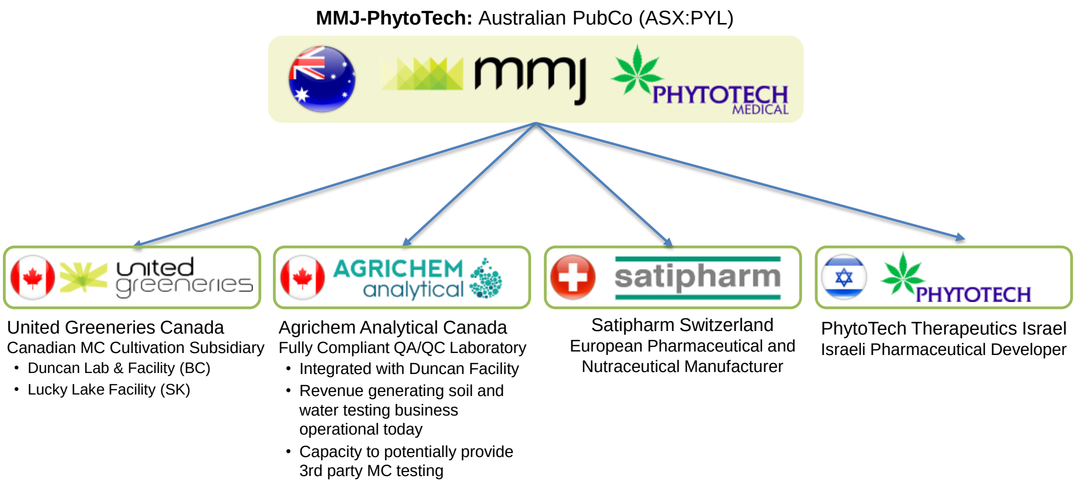
Transaction Overview and Indicative Group Structure

Under the terms of the agreement, the two companies will combine in a "Merger of Equals" via a three-stage deal structure based on MMJ achieving key milestones, detailed below.

The combined group will form a vertically integrated MC company, from MC cultivation to the development and distribution of pharmaceutical, nutraceutical and cosmeceutical products.

MMJ has three fully owned subsidiaries, which will join the merged entity as part of the deal. These include, United Greeneries Ltd (horticulture entity, late stage MMPR applicant in Canada), Satipharm (pharmaceutical and nutraceutical developer and distributer in Europe), AgriChem Analytical (Canadian quality control and testing laboratory for MC, water, soil etc.).

Group Structure of Merged Entity



The directors of both companies are confident that the deal is strategically and financially value enhancing to both businesses with significant synergies created to positively impact and enhance the share price of the combined group.

Strategic Rationale for Merger

The merger strategically positions PYL and MMJ as a vertically integrated MC company, with operations across the entire MC value chain and in key MC markets. The combined entity will be involved with the production, research and development and distribution of MC products.

PYL and MMJ have complementary assets and strategic growth profiles, with a high potential for synergies. The combined entity has little product overlap and well-timed expected cash inflows and outflows.

Importantly, the deal brings near and mid-term cash flow from MMJ's subsidiaries, via the sale of a proprietary GMP-produced gastro-resistant CBD pill to customers in the E.U. and through sales of MC to patients in Canada, pending license approval of the Duncan Facility under the MMPR.

Both companies have a global strategy in place with similar pursuits across targeted jurisdictions, creating an expanded platform for global growth.

Financial Rationale for Merger

Merging with MMJ at a pre license stage creates significant upside potential for the combined group. Once fully licensed under the MMPR, the Duncan Facility on Vancouver Island will be able to produce and sell up to 700kgs of MC per year.

Anticipated cash flows from the Duncan Facility in Canada and from sales of CBD supplements in the E.U., are expected to fund future business expansion, including research and development and clinical trials, resulting in a non-dilutive independent drug development company.

The deal is structured based on PYL scrip value (based on a PYL pre-deal share price of $0.305 per share) of $15.5 million upfront and an additional $5.185 million in performance shares subject to completion of milestones.

This compares extremely well to the valuations of other similar transactions currently in the market (in Australian and Canada).

MMJ BioScience Inc. (MMJ) Overview

MMJ is a holding and investment company specialising in supply chain optimisation and product development for the emerging global cannabis market. MMJ has three, wholly-owned subsidiaries:

- United Greeneries ("UG"): Canadian MC cultivation subsidiary
- Satipharm: European pharmaceutical and nutraceutical subsidiary
- AgriChem Analytical: Canadian biochemical quality control testing and Cannabinoid analytics

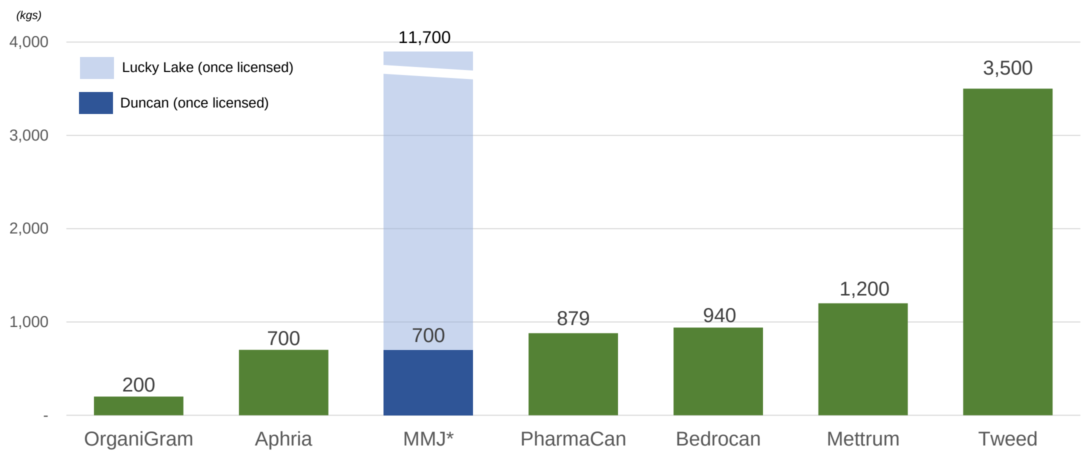
United Greeneries ("UG"), MMJ's Canadian cultivation subsidiary, controls two facilities with a combined area of 78,000 ft^2 and potential production capacity of 11,700 kg/ year. Additionally, there are 18 acres of UG-owned land available for organic expansion that could support an additional ~800,000 ft^2 of cultivation area in custom two storey structures.

UG's Duncan Facility is in the final stages of license approval, having received all required clearances and awaiting a final inspection by Health Canada, under the MMPR to begin production at its Duncan facility.

The Duncan Facility is a 16,000ft^2 state-of-the-art MC facility on Vancouver Island, BC. Duncan has roughly 10,000ft^2 of cultivation area, a 1,000ft^2 cleaning area, and is also home to AgriChem Analytical's fully compliant QA/QC laboratory. The MMPR license, once granted, will allow the Duncan facility to produce up to 700kg of MC per annum. The current market price for most MC sold in Canada is CDN$7 to CDN$10 per gram.

The second facility in Lucky Lake, SK, is fully owned by MMJ and consists of a 62,000 ft^2 concrete building on over 18 acres of land. The structure is well suited for MC production and awaits final build-out. Strong community support for the project combined with the potential integration into UG's Duncan QC and distribution system, will allow for fast and massive expansion of up to 11,700kg of MC product per annum. The land and infrastructure at the property are capable of accommodating another 800,000ft^2 of cultivation area in custom two storey structures in the future (each of which would need to be licensed.)

Comparable License Sale Capacity of Publicly Traded Canadian Peers



* Capacity numbers for MMJ are not licensed and are for illustrative purposes only

The above chart ranks publicly traded, Canadian companies with at least one fully licensed facility under the MMPR by licensed sale capacity. MMJ does not yet have an MMPR license at either facility but for comparison the anticipated licensed capacities are shown for illustrative purposes only. Once its facilities are licensed, MMJ will be a significant potential producer of MC in Canada under the MMPR.

Globally, MC is at an inflection point – the MC cultivation market in Canada is currently worth \$0.2bn, and is expected to grow to \$1.3bn by 2024. In Canada, the introduction of the MMPR has created the first federal regulatory system that allows for an investible platform for marijuana. Under the MMPR, medical cannabis users do not need a medical diagnosis anymore but merely require an acknowledgement from a Health Care Practitioner to buy Marijuana directly from a commercial Licensed Producer (LP).

Satipharm, a Swiss subsidiary, develops cannabis based pharmaceutical, nutraceutical and cosmetic products for a variety of conditions. The company has developed a proprietary GMP-produced gastro-resistant Cannabidiol (CBD) pill, which will be legally sold as a dietary supplement over the counter in the E.U. From July 2015, Satipharm is targeting to sell a minimum of 30,000 CBD pills per month quickly ramping up to 135,000 pills per month at a price of 3 Euro each. While suitable for sales as a dietary supplement, the pill qualifies in all aspects of its production and delivery technology for clinical purposes. As one of the many expected synergetic situations between MMJ and PYL, PhytoTech Therapeutics Ltd., PYL's wholly owned Israel-based subsidiary, intends to immediately engage in the clinical testing of safety and bioavailability of this pill for the purpose of integrating it into its pharmaceutical product development.

AgriChem Analytical provides state-of-the-art biochemical quality control testing and Cannabinoid analytics as required under the Canadian MMPR. These services play an essential role in the expansion of the Company's supply base, for furthering Cannabinoid drug development and in UG's strategy to become a supplier of high-compliance services to other LPs.

Cannabinoids & Cannabidiol ("CBD")

Cannabinoids are a class of diverse chemical compounds – including THC and CBD - that are contained in the cannabis plant. Of the primary cannabinoids, Cannabidiol ("CBD") is thought to have the greatest therapeutic potential across the greatest range of diseases. Scientific research has shown that CBD may be therapeutic for many conditions, including chronic pain, cancer, anxiety, diabetes, epilepsy, rheumatoid arthritis, PTSD, sleep disorders, alcoholism, cardiovascular disease, antibiotic-resistant infections, and various neurological ailments. An orally-administered liquid containing purified CBD received orphan drug status in the US in 2014, for use as a treatment for Dravet syndrome, under the brand name Epidiolex. Significant demand coupled with limited supply is helping support very robust prices for CBD extracts and CBD-based products worldwide.

The high therapeutic potential of cannabinoids – particularly CBD – is being recognized by the public, governments, research institutes, pharmaceutical companies and other organizations world-wide. The merged entity is well positioned to take advantage of this growing acceptance and use of CBD as a supplement and potentially as a pharmaceutical. Sales of a proprietary GMP-produced gastro-resistant pill in the E.U. are expected to commence in July 2015 to help address some of this demand.

Teams based in Canada, Australia, Europe and Israeli continue to assess market opportunities for CBD and other cannabinoids vis a vis the combined Company's capabilities and there is no shortage of opportunities on the horizon. The only limiting factor is availability of supply.

Consideration and Funding

Major Shareholders holding approximately 69.3% of the common shares in MMJ have entered into a binding Heads of Agreement with PYL setting out the terms for the acquisition of 100% of MMJ's issued shares (common and preferred) by

PYL for a total consideration of up to 68,000,000 fully paid ordinary shares in the capital of PYL as set forth below:

a) up to a total of 51,000,000 fully paid ordinary shares in the capital of PYL upon settlement (Initial Shares);

b) up to a total of 8,500,000 PYL Shares (First Deferred Shares) each in the event that MMJ is granted a licence to produce under the Marihuana for Medical Purposes Regulations in Canada (MMPR) within 12 months of Settlement (First Milestone); and

c) up to a total of 8,500,000 PYL Shares (Second Deferred Shares) each in the event that MMJ and its subsidiaries (MMJ Group) generate at least CAD$5,000,000 in revenue from operating activities within 36 months of Settlement (Second Milestone).

The deal is subject to customary conditions precedent, including successful completion of due diligence by both PYL and MMJ on each other, approval from the shareholders of both PYL and MMJ, satisfaction of all regulatory hurdles and approval from the MMJ debenture holders to amend the terms of their existing debentures.

In addition, each MMJ vendor must agree to a voluntary escrow on their PYL shares of 3 months, 9 months and 15 months from settlement of the merger (equal thirds). PYL will also be asking all MMJ vendors to enter into structured sell down arrangements should they wish to sell their shares in PYL in the future.

Management and Board

Upon completion of the merger, three nominees of MMJ will join the board of PYL, reinforcing an already strong board and management team.

Boaz Wachtel, Managing Director of PhytoTech Medical Limited commented:

"*We are extremely pleased to be partnering with a business that has a complementary asset portfolio and significant potential to become a key MC producer within the near future in Canada. Partnering at this important stage, provides significant benefits and synergies to both parties, and we expect substantial value uplift upon completion of each of the performance milestones structured into the deal. Furthermore, we are excited by the opportunity to produce and supply a GMP-produced CBD pill which, to our knowledge, will be the first of its kind in the MC market."*

Andreas Gedeon, CEO of MMJ Bioscience Inc. commented:

"MMJ is at a crucial stage of growth, with two pending MMPR licenses for production facilities in Western Canada and imminent sales to commence of the GMP-produced CBD pill in Europe. We're pleased to be partnering with PhytoTech and are excited by the prospect of working alongside another pioneer in the MC market. The performance milestones are highly achievable and we're confident they will be reached within the anticipated timeframe."

A presentation on MMJ accompanies this announcement.

Process and Completion Timetable

Announcement of MMJ Bioscience acquisition	24 March 2015
Completion of due diligence	14 April 2015
Dispatch of notice of meeting to PYL shareholders for approval	15 April 2015
PYL shareholder meeting	18 May 2015
Completion of acquisition	25 May 2015

The above dates are indicative and may change.

-Ends-

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About PhytoTech Medical Limited

PhytoTech Medical is a medical cannabis company, which aims to commercialize Medical Grade Cannabis (MGC) and high potential cannabis based therapeutics products to the rapidly growing international market with regulated medical cannabis laws. With research facilities located in Israel, a global leader in medical cannabis research, the Company is strategically positioned to become a key player in the global MGC market.

The Company is focused on the research, development and commercialization of products for administering MGC, and on new treatments utilizing MGC therapeutic components for various medical conditions. In addition, the Company aims to grow proprietary strains of MGC in California, Uruguay and other jurisdictions.

PhytoTech has entered into an exclusive research and licensing agreement with Yissum, the prestigious Research Development and technology transfer Company of Hebrew University in Jerusalem, Israel. Yissum was founded in 1964 to protect and to commercialize the Hebrew University's intellectual property. Products based on Hebrew University technologies that have been commercialised by Yissum currently generate US$2 Billion in annual sales. Ranked among the top technology transfer companies in the world, Yissum has registered over 8,500 patents covering 2,400 inventions; has licensed out 750 technologies and has spun out 90 companies. Yissum's partners span the globe and include names such as Microsoft, Johnson & Johnson, Syngenta, Monsanto, Roche, Novartis, Merck, Teva and many more.

Using proprietary technology, PhytoTech's vision is to administer ground breaking health benefits of cannabinoids in oral preparations, vapor form, and other routes of administration in safe and effective ways.

http://www.phytotechmed.com/

About MMJ Bioscience Inc.

MMJ is a holdings and investment company specialising in supply chain optimisation and product development for the emerging global Cannabis market. The Company's Canadian cultivation subsidiary, United Greeneries, has two facilities with a combined area of 78,000 ft^2 both of which are in different phases of the licensing process to become a Licensed Producer ("LP") under the Marihuana for Medical Purposes Regulations ("MMPR"). The Duncan facility is currently in the final stage of the licensing process with the facility completely built out and awaiting inspection. United Greeneries other facility in Lucky Lake, SK is much earlier in the licensing process. Satipharm is MMJ's Swiss-based R&D subsidiary focused on cannabis-based pharmaceuticals, nutraceuticals and cosmetics. The first meaningful revenues for the entire MMJ group are expected from Satipharm in July 2015. MMJ has established a number of key international partnerships placing it in an advanced position when it comes to developing and distributing cannabis and cannabinoid-based pharmaceutical, nutraceutical and wellness products.

http://mmj.ca/

MMJ Bioscience Inc.
Corporate Presentation: March 2015

From Farm to Pharma

mmj = 1 + 2 + 3

1 – MMPR Applicant #23 (10-MM0023)

2 – Established International Footprint

3 – Bioscience Platform – Rev. by July 2015

MMJ Bioscience Inc.
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This document has been prepared by MMJ Bioscience Inc. ("**MMJ**" or the "**Corporation**") in connection with providing an overview to interested analysts / investors and is being provided for the sole purpose of providing preliminary background financial and other information to enable recipients to review the business activities of MMJ. This presentation is thus by its nature limited in scope and is not intended to provide all available information regarding MMJ.

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All amounts are expressed in Canadian dollars unless otherwise noted.

ADVISORY IN RESPECT OF FORWARD-LOOKING INFORMATION

This presentation contains certain forward-looking statements and forward-looking information (collectively referred to herein as "**forward-looking statements**") within the meaning of applicable securities laws. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking information is often, but not always, identified by the use of words such as "could", "should", "can", "anticipate", "expect", "believe", "will", "may", "projected", "sustain", "continues", "strategy", "potential", "projects", "grow", "take advantage", "estimate", "well positioned" or similar words suggesting future outcomes. In particular, this presentation contains forward-looking statements relating to future opportunities, business strategies and competitive advantages. The forward-looking statements regarding MMJ are based on certain key expectations and assumptions of MMJ concerning anticipated financial performance, business prospects, strategies, the sufficiency of budgeted capital expenditures in carrying out planned activities and the ability to obtain financing on acceptable terms, all of which are subject to change based on market conditions and potential timing delays. Although management of MMJ consider these assumptions to be reasonable based on information currently available to them, they may prove to be incorrect.

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Executive Summary

mmj = 1  + 2 + 3 

From Farm to Pharma | MMPR Applicant[1] | Global Perspective | Bioscience Platform

1 Large-Scale, Final-Stage MMPR Applicant[1]

Duncan Facility & Laboratory Highlights - MMPR Application #23 (10-MM0023)

Application Received by Health Canada	Letter to Build	Security Clearances	Facility Operational	Pre-License Inspection
July 16, 2013 #10-MM0023 ACCEPTED	Jan 21, 2014 APPROVED	June 5, 2014 APPROVED	Sept 2014 COMPLETED	Apr 2015 PENDING

Western Canada Facility Highlights

Multimillion $, 62k ft² Facility on 18 Acres	MMPR Application Submitted
May 2014 PURCHASED	Mar 2015 PENDING

State-of-the-Art Cultivation Facilities[1]
2 Facilities
in Western Canada

Large and Fully-Utilized Footprint[1]
78,000 ft²
Existing Facilities

Significant Production Capacity[2]
12 Tonnes / year
Dried Marijuana

Strong Cultivation and Breeding Expertise
30 Years
Horticulture Experience[3]

Extensive Genetics Portfolio[5]
+80 Strains
Plus Seed Bank with +500 Varieties

Vast Expansion Potential[6]
+800,000 ft²
on MMJ-Owned Western Canadian Facility

Notes: All estimates are for illustrative purposes only and are subject to change. (1) Duncan Facility in final stages of MMPR licensing process, Western Canada Facility MMPR application currently underway. Both MMPR applications contemplate full utilization of facility's area. (2) Based on anticipated total licensed cultivation area of Duncan Facility and Western Canada Facility as contemplated in each facility's respective MMPR application. See appendix for full list of cultivation assumptions. (3) Combined experience of senior horticulture staff. (5) +80 strains in plant stage and +500 strains in seed bank. MMJ will only produce 5 to 7 strains at any given time. (6) Assumes 60% building to land coverage and two story facilities.

mmj = 1 MMPR Applicant + 2 Global Perspective + 3 Bioscience Platform

From Farm to Pharma

2 Global Perspective: MMJ International

Tapping into ~*$225 Billion*[1] European Pharmaceutical Market

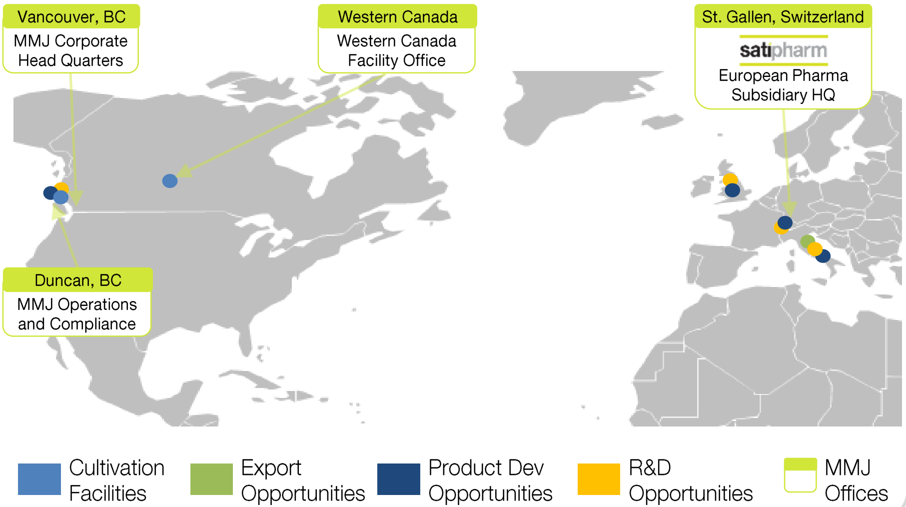
Logical Step "From Farm to Pharma"

International Presence | **Global Market Insight** | **R&D opportunities**

- Revenue from GMP Produced CBD dietary supplements by July 2015
- Several acquisition and JV opportunities in late-stage negotiations
- Robust deal pipeline spanning entire cannabis value chain
- Logical step "From Farm to Pharma" – jurisdictions have more progressive stance on marijuana; R&D less hindered; GW Pharmaceuticals front of mind
- Diverging narcotic laws provide "Jurisdiction Synergy" opportunities
- R&D opportunities abundant and high quality
- Access to clinical trials and academic collaborations
- MMPR "base" provides strong platform for international expansion

MMJ's Global Footprint

Strategically Positioned in Select International Jurisdictions



Notes: (1) Source: IMSHealth, Statista

mmj = 1  + 2 + 3 

From Farm to Pharma | MMPR Applicant | Global Perspective | Bioscience Platform

3 Vertically-Integrated Bioscience Platform

MMJ is Much More Than Just MMPR

1  + 2  + 3 

MMPR Applicant | Global Perspective | Bioscience Platform

mmj

What is "Farm to Pharma"?

- Roadmap towards pharma via disciplined, incremental steps
- MMPR is a platform – focal point; potential revenue; raw materials
- "Farm to Pharma" does not reduce flexibility or importance of cultivation – MMJ is equally poised to adapt, scale and profit under any legal scenario

R&D of Cannabis-Based Medicines & Products

- Pharmaceuticals
- Phytoceuticals
- Nutraceuticals
- Cosmeceuticals
- Health & wellness
- R&D of strains
- Symptom targeting
- Clinical trials

Targeted Product Development

- Large-scale CBD production initiative
- High-dosage CBD capsules
- CBD-based veterinary products (Sativol^{TM})
- Health & wellness supplements
- Proprietary water soluble THC solution

Development of IP

- For internal use and/or licensing opportunities
- Patentable genetics
- Proprietary cultivation techniques
- Alternative delivery methods
- Extraction techniques

Cannabis-Related Bioscience Initiatives → Disciplined and Incremental Entry into Higher-Value Verticals → Develop Multiple Value Streams → Compliment and/or Enhance Other Operations → **Drive Shareholder Value** satipharm

mmj = 1 + 2 + 3

From Farm to Pharma

1 
MMPR Applicant

2 
Global Perspective

3 
Bioscience Platform

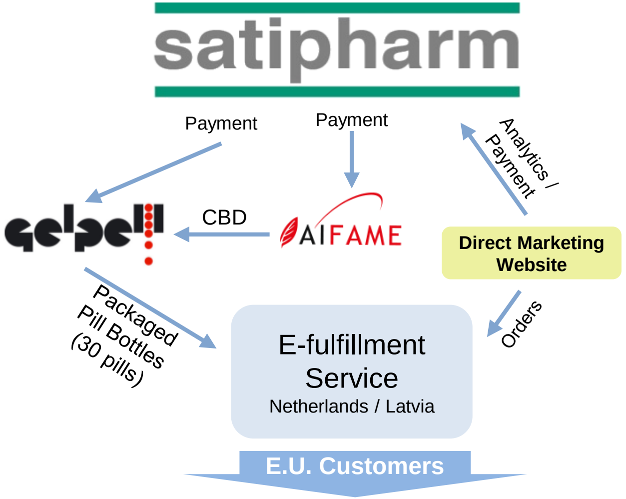
2 + 3

Satipharm Case Study: GMP Produced CBD Supplement Sales

Overview of CBD Dietary Supplement Sales

- 2-year supply of GMP produced CBD from Ai Fame to be sold via direct marketing website in Europe
- Only known sustainable supply of GMP produced CBD currently available
- 12kg guaranteed for 2015 at fixed price of CHF 100,000/kg, ROFR on 2016 production (+25kg)
- Exclusive arrangement for gastro-resistant pill technology from Gel Pell AG
- First batch of CBD pills ready April 2015
- Direct Online Marketing platform in Europe
- Pills freely saleable as dietary supplement in Europe
- No comparable products on the market -

Schematic of CBD Dietary Supplement Sales



Notes: (1) Indicative and for illustrative purposes only. Assumes EUR to CAD fx of 1.44, CHF to CAD of 1.38, production costs of CHF1.32/pill, retail price of EUR 3/pill

Strategic Platform

MMJ Operating Entities
(Wholly Owned)

united greeneries
Cultivation Subsidiary

satipharm
European Pharmaceutical Subsidiary

AGRICHEM analytical
Fully Compliant(1) in-house QA/QC Lab

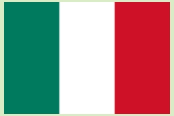
mmj

MMJ is Much More Than Just MMPR

JVs / Partnerships

Premium Health & Wellness Company

Product Development & Distribution Partnership



Non-Profit Medical Marijuana Association

Import / Export & Consulting Opportunities

Notes: (1) Testing protocols are to international pharmaceutical standards and are approved by Health Canada

Investment highlights

Large-Scale CBD Production Initiative

2013E Global Pharmaceutical Sales for Treatment of Diseases For Which Cannabinoids Show High Therapeutic Potential (US$Bn)

- Mounting clinical data has shown that the major cannabinoids THC, CBD, CBN, Beta-Carophyllene, and Cannabigerol are extremely effective at treating numerous diseases
- The potential market for cannabinoid-based treatments is huge
- Significant demand coupled with limited supply is helping support very robust prices for CBD extracts and CBD-based products worldwide
- MMJ is actively assessing several sources and methods of CBD production across multiple jurisdictions

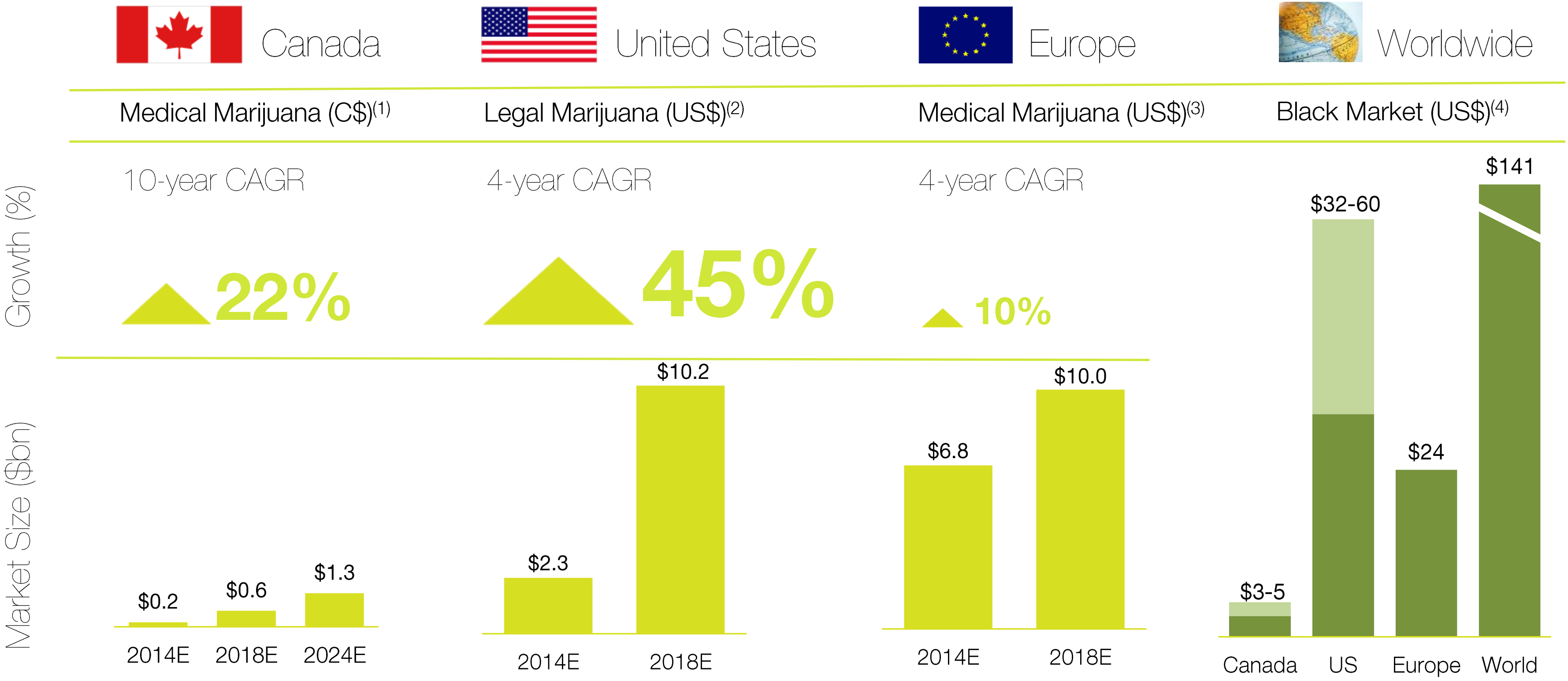
The high therapeutic potential of cannabinoids is being recognized by the public, governments, research institutes, pharmaceutical companies and other organizations world-wide

Source: MMJ Bioscience

Note: (1) Distribution of CBD is currently prohibited in many jurisdictions including Canada and several of the United States. Distribution of CBD by MMJ will be limited to jurisdictions where it is legal.

Investment highlights

Current Cultivation Market Potential

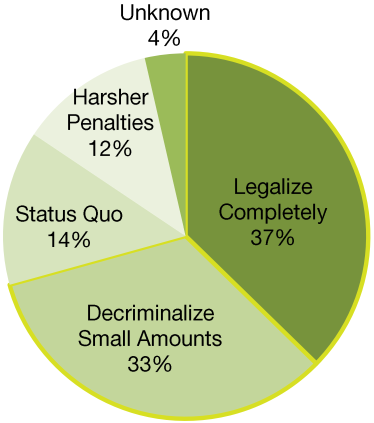


Notes: (1) Source: Health Canada. 2018 estimate interpolated from 2014 and 2024 estimates. (2) Source: The ArcView Group. Estimates are for legal marijuana market which includes recreational and medical markets. (3) Source: High Alert Capital Partners. (4) Source: UNODC 2005 World Drug Report, The ArcView Group, MMJ Bioscience.

Potential for Legalization for Recreational Use

Public Support

Canadian Marijuana Laws Survey[1]
Department of Justice – 2014



Canada: +*70%* surveyed believe laws should be relaxed[1]

US: Oct 2013 Gallup Poll; *58% support full legalization*

Leading Research Institute Support

CAMH: Legalization with Strict Regulation
New Cannabis Policy Framework From CAMH

camh Centre for Addiction and Mental Health

- CAMH is an influential, well-regarded, evidence-based, unbiased research house
- CAMH is the largest mental health and addiction hospital domestically

Oct 2014: CAMH Recommends Canada Fully Legalize Marijuana, Tax Sales and Strictly Regulate

- Government Monopoly, Min Age, Limit Availability
- Invest in Education, Curtail Higher Risk Products
- Pricing to Curb Demand, Increase Rehab Options

Major Canadian Political Parties Varying Levels of Support

Major Political Parties Stance on Marijuana

Marijuana for Medical Purposes

Factions of the party advocate finding ways to increase enforcement

Fully legalized, taxed and regulated

Existing policies are very expensive and ineffective

Advocate an evidence-based crime policy

Decriminalize, no Formal Position on Full Legalization

Existing policies are very expensive and ineffective

Advocate an evidence-based crime policy

green PARTY OF CANADA

Support Decriminalization

Green Party Won't Make it a Central Issue

MMJ is well positioned to quickly adapt, scale and profit under any future legal environment

Notes: (1) Source: The Toronto Star July 16, 2014. (2) Source: UNODC 2005 World Drug Report. (3) Source: UNODC 2005 World Drug Report, The ArcView Group, MMJ Bioscience.

united greeneries

Retailer to Wholesaler

High-Capacity(1)
78,000 ft^2 Existing Facilities → **12 Tonnes / year** Production Capacity

Pharma-Grade
80+ Symptom-Specific Strains Genetics Portfolio(2) → **30 Years** Horticulture Experience(3) → **In-House QC / QA Lab** at Duncan Facility → **High-Quality, Standardized Production**

Scalable
800,000 ft^2 + Expansion Capacity(4) on MMJ-Owned Land → **Wholesale, Retail and Export Opportunities** Optimal Distribution Strategy → **Leading MMPR Producer Potential**

Notes: (1) Duncan Facility in final stages of MMPR licensing process, Western Canada Facility MMPR application currently underway. Production capacity based on anticipated total licensed cultivation area of Duncan Facility and Western Canada Facility as contemplated in each facility's respective MMPR application. Potential annual revenue estimates assume average sale price ranging from \$5.00 - \$7.50 per gram. See appendix for full list of cultivation assumptions. (2) 150 strains in plant stage and over 500 strains in seed bank. MMJ will only produce 5 to 7 strains at any given time. (3) Combined experience of senior horticulture staff. (4) Assumes 60% building to land coverage and two story facilities.

Canadian MMPR Operations
Duncan Facility & Laboratory



Location:	Duncan, BC
Ownership:	LT Lease to MMJ (7+ Years)
Size:	16,000 ft^2
Capacity:	700 kg/year(1)
MMPR Status:	MMPR Application # 10-MM0023 Final stages of licensing process Awaiting pre-licensing inspection Expected inspection: Apr 2015

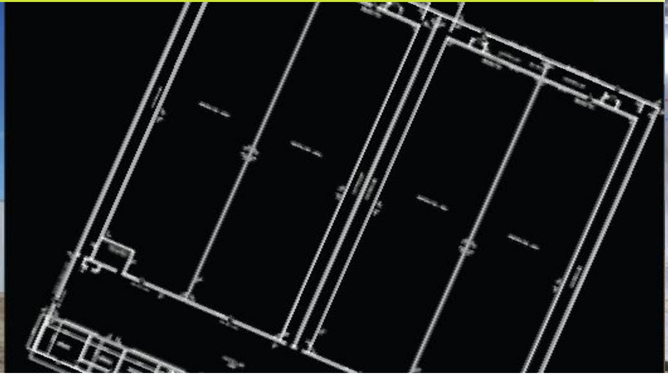
- 16,000 ft^2 production facility and full quality control laboratory in Duncan, BC:
  - 9,600 ft^2 cultivation area
  - 1,000 ft^2 clean area
  - Level 8 security vault
- 4,000 ft^2, $1.2mm facility upgrade completed Sept 2014
- Facility is finished and awaiting pre-licensing inspection

Note: (1) Based on anticipated total licensed cultivation area as contemplated in MMPR application. See appendix for full list of cultivation assumptions.

Duncan Facility & Laboratory

Canadian MMPR Operations

Western Canada Facility



Location:	Western Canada
Ownership:	100% Owned by MMJ
Size:	62,000 ft^2 on 18-acre Site
Capacity:	11,000 kg/year[(1)]
MMPR Status:	Early stages of licensing process Application to be submitted in Mar 2015

- 62,000 ft^2 modern agricultural facility owned by MMJ
  - 40,000 ft^2 cultivation space across four interior bays
  - Will utilize proprietary vertical cultivation system
  - Ample power and water and is situated adjacent to a CN rail line
  - Building specs at or near MMPR requirements
- Facility upgrades planned over five months
  - Commencing in Q1 2015
  - Lowest capital cost in industry - $4.5mm total investment for 11,000 kg/year production capacity = ~$410/kg/year
- 18-acre site provides MMJ with scalability
  - +800,000 ft^2 [(2)] expansion capacity = 12 similar facilities = 132,000 kg/year additional capacity

The Western Canada Facility Will be Up and Running for a Total all-in Investment of $4.5mm = Lowest Capital Cost in Industry

Note: (1) Based on anticipated total licensed cultivation area as contemplated in MMPR application. See appendix for full list of cultivation assumptions. (2) Assumes 60% building to land coverage and two story facilities.

Near-Term Supply/Demand Issues

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New Client Registration Status of 16 Fully Authorised LPs[1]

Only 8 of the 16 Fully Authorized Licensed Producers are Currently Accepting New Clients

✓ Accepting ✗ Not Accepting / Waitlist Only

Aphria Medical Marijuana	bedrocan canada	Small Batch · High Grade Broken Coast Cannabis	CannTrust	Canna Farms	CanniMed	Delta 9 Bio-Tech	In The Zone
✓	✗	✓	✓	✗	✓	✗	✗
MariCann	mettrum	MedReleaf The Medical Grade Standard	OrganiGram Licensed Medical Marijuana	The Peace Naturals Project	Tilray Exceptional Cannabis Products	Tweed	WMMC
✓	✗	✓	✗	✗	✓	✓	✗

Demand Side – "Exponential"

- Currently ~17,000 patients enrolled under MMPR – estimated more than 4x currently using illegal compassion clubs
- MMPR patient enrollment rate much higher than anticipated – 13% month over month growth from May to August
- Patient enrollment at current pace may surpass Health Canada's 10-year projections within 18-24 months
- Initial indications are that Health Canada estimates are ***very*** conservative

Supply Side – "Long Lead Times"

- Current licensed producers unable to satisfy demand
- Granting of additional licenses has been slowed considerably:
  - Evolving and increasingly onerous licensing process
  - Unexpectedly high volume of applications
  - QA / QC issues and concerns over marketing practices with original LPs
  - Protracted staged licensing for inventory and QA /QC purposes

Note: (1) According to Health Canada's website "Authorised Licensed Producers under the Marihuana for Medical Purposes Regulations"

MMPR Licensing Timelines – MMPR Application #23 (10-MM0023)

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Duncan Facility MMPR Application # 10-MM0023

Milestone	Date	Time
Application Submitted	July 2013	Month 1
Letter to Build	Jan 2014	Month 7
RCMP Security Clearings Received	June 2014	Month 12
Final QA / QC, Marketing Questions	Jul to Dec 2014	Months 13 - 18
Pre-licensing Facility Inspection	Apr 2015	Month 21
Facility Licensed	May 2015	Month 22

- Anticipated licensing time: 22 months
- Security clearings took ~ 6 months
- Facility is ready to be inspected

Actual Date | Estimated Date

Western Canada Facility

Milestone	Date	Time
Application Submitted	Mar 2015	Month 1
Facility Upgrades Completed	July 2015	Month 5
Protocols Approved by Health Canada	Aug 2015	Month 6
Security Clearings Received	Aug 2015	Month 6
Pre-licensing Facility Inspection	Oct 2015	Month 8
Facility Licensed	Nov 2015	Month 9

- Anticipated licensing time: 9 months
- Experience with Duncan application and established relationship with Health Canada will expedite process
- Application is at an exceedingly high standard
- Expectation that security clearings and final QA / QC timelines will be contracted / eliminated

Canadian MMPR Operations

Producers Landscape – Publicly Traded MMPR LPs vs. MMJ

	Aphria Medical Marijuana	bedrocan canada	mettrum	T-Bird Pharma Inc.	Organigram Licensed Medical Marijuana	Tweed	mmj
Canadian Production Facilities	●	●	●	●	●	●	●
Focus on Pharmaceutical-Grade Production	●	●	●	●	●		●
Cultivation & Genetics R&D		●	●	●	●	●	●
Participation in Clinical Studies		●					●
Global Perspective / International Footprint							●
Vertically-Integrated Bioscience Platform							●

Note: Based on publicly available information

Large-Scale CBD Production Initiative

Cannabinoids & Cannabidiol ("CBD")

- Cannabinoids are a class of diverse chemical compounds – including THC and CBD - that are contained in the cannabis plant
- Of the primary cannabinoids, Cannabidiol ("CBD") is thought to have the greatest therapeutic potential across the greatest range of diseases
- Scientific research has shown that CBD may be therapeutic for many conditions, including chronic pain, cancer, anxiety, diabetes, epilepsy, rheumatoid arthritis, PTSD, sleep disorders, alcoholism, cardiovascular disease, antibiotic-resistant infections, and various neurological ailments
- Significant demand coupled with limited supply is helping support very robust prices for CBD extracts and CBD-based products worldwide

MMJ and CBD

- MMJ is actively assessing several sources and methods of CBD production across multiple jurisdictions
  - Investigating potential for the extraction of CBD from exported MMPR production outside of Canada
  - Evaluating various methods of synthesizing CBD; currently in negotiations to license the rights to a method of producing synthetic CBD for use in certain products
  - Goal is to balance scale with security of supply chain and cost of production
- MMJ is also evaluating highest value sales strategy for CBD production
  - Wholesale: bulk sale of CBD extract
  - Retail: High-dose CBD capsules, CBD infused products, etc.

Targeted Product Development: Case Study

Veterinarian Product – Sativol™

Treatment of Arthritis Symptoms in Dogs

- A CBD based treatment for the relief of arthritis symptoms in aging dogs
- Meaningful and substantive evidence supports CBD's efficacy for treatment of symptoms of arthritis
- Very suitable end use for in-house synthetic CBD production
- Board members and key advisors with relevant experience in place to support veterinarian strategy
- Sativol and dogs are just the beginning
    - Arthritis is a naturally occurring degenerative process which affects all aging mammals
    - Annual arthritis pain medication sales ~ $11 - 18bln
    - Arthritis is a common ailment amongst many farm animals and pets

Why Animals, Specifically Dogs?

- Arthritis is an increasingly common diagnosis in dogs especially in geriatric dogs (10 years or older)
- Arthritis in dogs increased 38% from 2006 to 2011 and was the forth most common diagnosis for geriatric dogs in 2011
- 1 in 3 arthritic dogs are also overweight - experts agree that in many cases arthritis causes inactivity and weight gain in dogs
- In 2013, Americans spent ~$60 billion on pets – the majority of which was spent on dogs

Sativol™ Fits Well Within MMJ's Targeted Product Development Framework

Corporate Management

Andreas Gedeon, CEO / Director

- Founder of MMJ, serial entrepreneur and former Officer in the German Navy
- Previously, partner and founder of IQC Concrete Forming, a Vancouver-based construction company specializing in high rises
- Leading MMJ's domestic MMPR operations and spearheading several international bioscience initiatives
- Mr. Gedeon has a degree in Educational Science from the University of Federal Armed Forces Munich

L. Michael Hinam, VP Compliance / Director

- Regulatory professional with over 30 years experience, most of which was spent working in government and community relations
- 25 Years working in the gaming industry most recently with BC Lottery Corp where he worked for to 10
- Mr. Hinam is in charge of MMPR licensing and is overseeing the process at the Duncan and Western Canada facilities
- Michael has also worked as a volunteer in support of youth education through sports for VANOC and other organizations

Devon Brown (CPA), CFO

- Chartered Professional Accountant with significant experience in highly regulated industries
- Previously, Sr. Business Analyst at BC Lottery Corp. and Sr. Business Analyst at Great Canadian Gaming
- Mr. Brown is actively involved in the financial management of projects including the recently completed $1.2m upgrade of the Duncan Facility
- Mr. Brown has a BA in English Literature from the University of Regina

Appendix

Significant Employees

John Harris (PChem), Head of Quality Assurance

- Registered Professional Chemist (BC) with over 20 years of laboratory and field experience in analytics / quality control
- Manager and founder of Agrichem Analytical, MMJ’s quality control and analytics subsidiary
- Responsible for developing and implementing MMJ’s quality assurance programs to meet or exceed international pharmaceutical standards and Health Canada MMPR standards
- Mr. Harris has a BSc in Chemistry from the University of Victoria and an Environmental Operators Certificate

David Cowern, VP Business Development

- Finance and business development professional with ten years experience on both the sell side (investment banking) and buy side (private equity)
- Previously, David held various positions at both large and boutique investment banks focusing on capital markets and mergers and acquisitions; he also worked in the investment team at a large Dubai-based, MENASA-focused private equity manager
- Mr. Cowern’s experience in corporate finance and M&A make him a key contributor to many of MMJ’s corporate growth initiatives
- David is responsible for evaluating and executing corporate development opportunities and acts as a liaison between MMJ and its shareholders

Directors

Andreas Gedeon, CEO / Director

- Founder of MMJ, serial entrepreneur and former Officer in the German Navy
- Previously, partner and founder of IQC Concrete Forming, a Vancouver-based construction company specializing in high rises
- Leading MMJ's domestic MMPR operations and spearheading several international bioscience initiatives
- Mr. Gedeon has a degree in Educational Science from the University of Federal Armed Forces Munich

Ross McKay (CMA), Director

- Ross has significant experience in the pharmacy, medical clinic and veterinarian fields and holds a BSc Pharm, Pharmacy degree from UBC
- Managing Partner in charge of operations at VetStrategy, a manager of veterinary practices in Canada
- Former President of Medicine Shoppe Canada where he oversaw the growth of the chain into a leading independent Canadian pharmacy which, along with Drug Trading Company Ltd., was sold by Katz Group to McKesson Corp. for $920mm in 2012
- Mr. McKay also worked with Save-On-Food and Wal-Mart Canada, helping build out their successful pharmacy divisions in BC and Alberta
- Mr. McKay is working to advance the development and execution of MMJ's veterinarian product strategy

L. Michael Hinam, VP Compliance / Director

- Regulatory professional with over 30 years experience, most of which was spent working in government and community relations
- 25 Years working in the gaming industry most recently with BC Lottery Corp where he worked for to 10
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Appendix

The Realities of Cultivation

Not All Square Feet are Created Equal

Facility Size Metrics Can be Misleading

- Square footage <> production capacity
- Area naturally dictates potential production capacity, but other factors need to be considered:
  - Percentage of facility licensed or suitable for production - many MMPR licensees / applicants quote total area of facility when only a small portion of facility has been licensed / contemplated in application
  - Number of strains being grown simultaneously - cultivating several strains simultaneously can dramatically reduce productive capacity of a facility
  - Specifics of strains being grown - strains have different grow cycles, yield different amounts etc.
  - Cultivation configuration: "sea of green", vertical cultivation configurations etc.
- Number of lights, wattage of lights and cultivation configuration are equally as important as square footage
- Expansion capacity of facilities can also be limited by power and water
- Large amounts of unlicensed area can be a bad thing - excess overhead on underutilized facilities can increase opex dramatically

MMJ's Realistic Approach to Cultivation

MMJ's Cultivation Assumptions

- Formula used to estimate production (buds): 1 gram/W of light in the flowering stage per 60 days

Duncan Facility

- 2 flowering bays with 112 600W lights per bay
- Total wattage = 134.4 kW
- Total grams per 60 days = 134,400g
- Potential Annual production = 134.4 kg x 6 = 800kg/year
- Annual Production Assumed = 700kg/year

Western Canada Facility

- 4 flowering bays with 796 600W lights per bay
- Total wattage = 1,910.4 kw
- Total grams per 60 days = 1,910,400g
- Potential Annual production = 1,910.4 kg x 6 = 11,462 kg/year
- Annual Production Asssumed = 11,000 kg/year

The Realities of the MMPR Licensing Process

Health Canada MMPR Licensing Process - *Initial License*

1. Screening

Initial Screen for Completeness and Accuracy

- Application assessed for completeness
- Incomplete applications are returned
- Referred to Enhanced Screening if complete

2. Enhanced Screening

In-depth Screening to Ensure Compliance

- Assessment of site for public health and safety
- Assessment of qualifications of proposed Quality Assurance person
- Assessment of proposed security measures

3. Security Clearances

Detailed Background Security Checks

- This stage of the process is very lengthy with virtually no communication with HC or RCMP
- Application can't proceed until clearances passed
- Minimum time frame for is a few months – for individuals who do not have clearance yet
- MMJ's security clearances took 6 months

4. Review

Thorough Review and Clarification

- In-depth review of the Application
- Applicants should be prepared for multiple communications with OCS to clarify questions

5. Pre-Licensing Inspection

Inspection to Verify Adherence to Plan

- Applicant's Site must be ready and operational before licensing
- Health Canada inspectors verify that site is built in a manner consistent with Application

6. Licensing

License is Issued

- A license is issued once it has been confirmed – through application review and pre-license inspection – that the applicant meets all the requirements of the MMPR

Process Duration is Estimated by Health Canada to be Between 18 and 24 Months

Ongoing Compliance and Licensing

Keeping in Good Standing – *Health Canada Can Rescind*

- Ongoing compliance with the MMPR will likely prove to be quite costly particularly for the smaller producers
- Requirements appear to be getting increasingly stringent and will likely continue to do so

License Renewal

- General perception that once granted initial license, subsequent licensing processes will be far less onerous
- Apparently, the opposite is true in fact – at least for the time being
- The general feedback is that if Health Canada missed it the first time they won't the second time.
- Further, it is rarely mentioned that the initial batch of licenses were only issued for a period of a year

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Thank you

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