



From Farm to Pharma

1 Cultivation

2 Pharmaceutical Processing

3 Clinical Development

MMJ PhytoTech Limited
Investor Presentation
Unlocking The Medical Cannabis Value Chain
July 2015

ALL CURRENCY AMOUNTS ARE IN AUD UNLESS STATED OTHERWISE.

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Business Unit	1 Cultivation	2 Pharmaceutical Processing	3 Clinical Development
Domicile/ Brand			
Activity / Products	Final-Stage MMPR ⁽¹⁾ Applicant, Potential MC Producer	Pharma-Grade Bulk & Packaged Compounds, Non-Synthetic API	R&D of Pharmaceuticals & Delivery Technologies
Value Driver/Differentiator	Scarce, Only 21 ⁽²⁾ Companies	GMP Partner, Highly-Specialised Techniques; Integrated, Stable Raw Input Source	Low Cost, Fast to Market R&D; Integrated, Stable Raw Input Source
Customers	MMPR patients – expected to be ~308,000 ⁽³⁾ in 2024	Research, Pharma, Nutra, Cosmetic, F&B, MMPR, Retail	Pharmaceutical Companies, Patients
Strategic Value	Legal, Secure Source of Raw Input	1 st Mover in Huge Growth Sector Picks & Shovels Model	Self-Financed, In-House R&D of Promising, Rare Compounds

Vertically-Integrated, Producer of High-Demand, High-Growth, Pharma-Grade Cannabis-Based Products

Notes: (1) 'Marihuana for Medical Purposes Regulations'. Federal Canadian regulations overseen by Health Canada governing quality, security, supply and access to medical marijuana in Canada. MMJ received a letter From Health Canada April 1st, 2015, known as the 'Confirmation of Readiness Letter' which is the final communication prior to Health Canada booking and performing a pre-licensing inspection; to the knowledge of the Company and its advisors, no group has received a "Confirmation of Readiness Letter" and not been subsequently licensed. (2) Pro Forma for Tweed's Acquisition of Bedrocan Canada. In total there are 25 licenses (6 cultivation, 19 cultivation and sale) that have been granted but there are 21 companies that passes them. Tweed owns two licensed facilities as does Bedrocan and Mettrum. (3) Health Canada estimate (<http://gazette.gc.ca/rp-pr/p1/2012/2012-12-15/html/reg4-eng.html>), industry reports and equity research

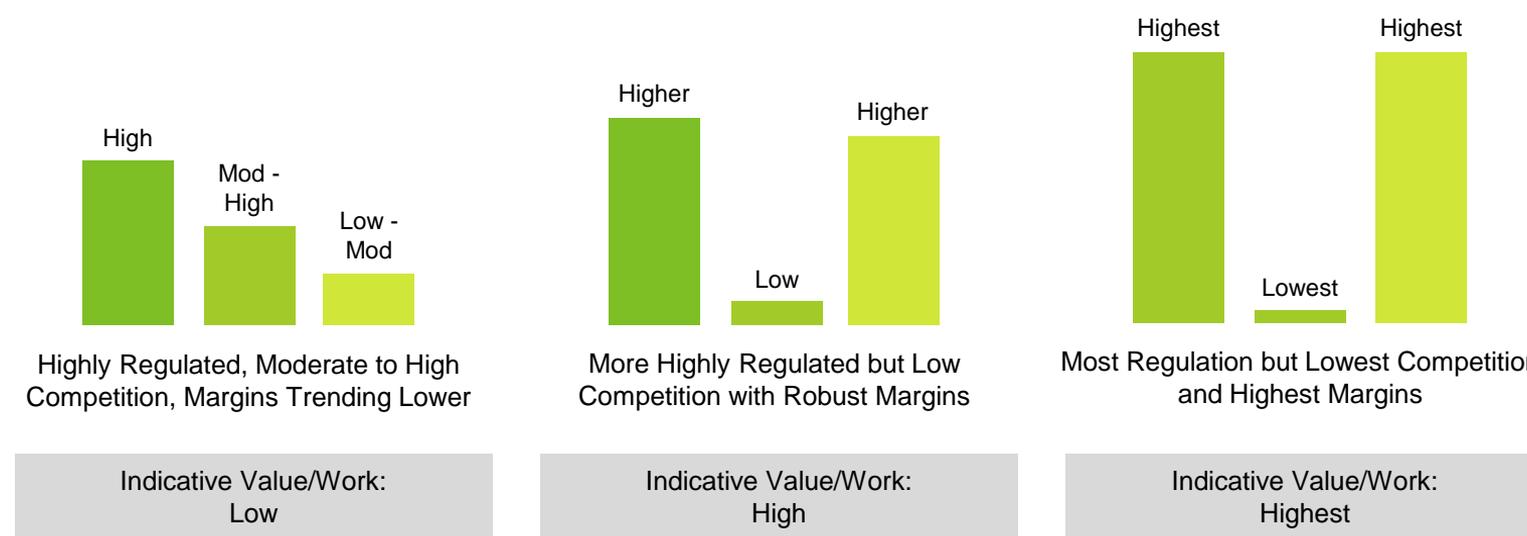
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1 Needs 2, 3

The Value is in the Integration of The Supply Chain
The Value is in "Farm to Pharma"

1 Cultivation **2 Pharmaceutical Processing** **3 Clinical Development**

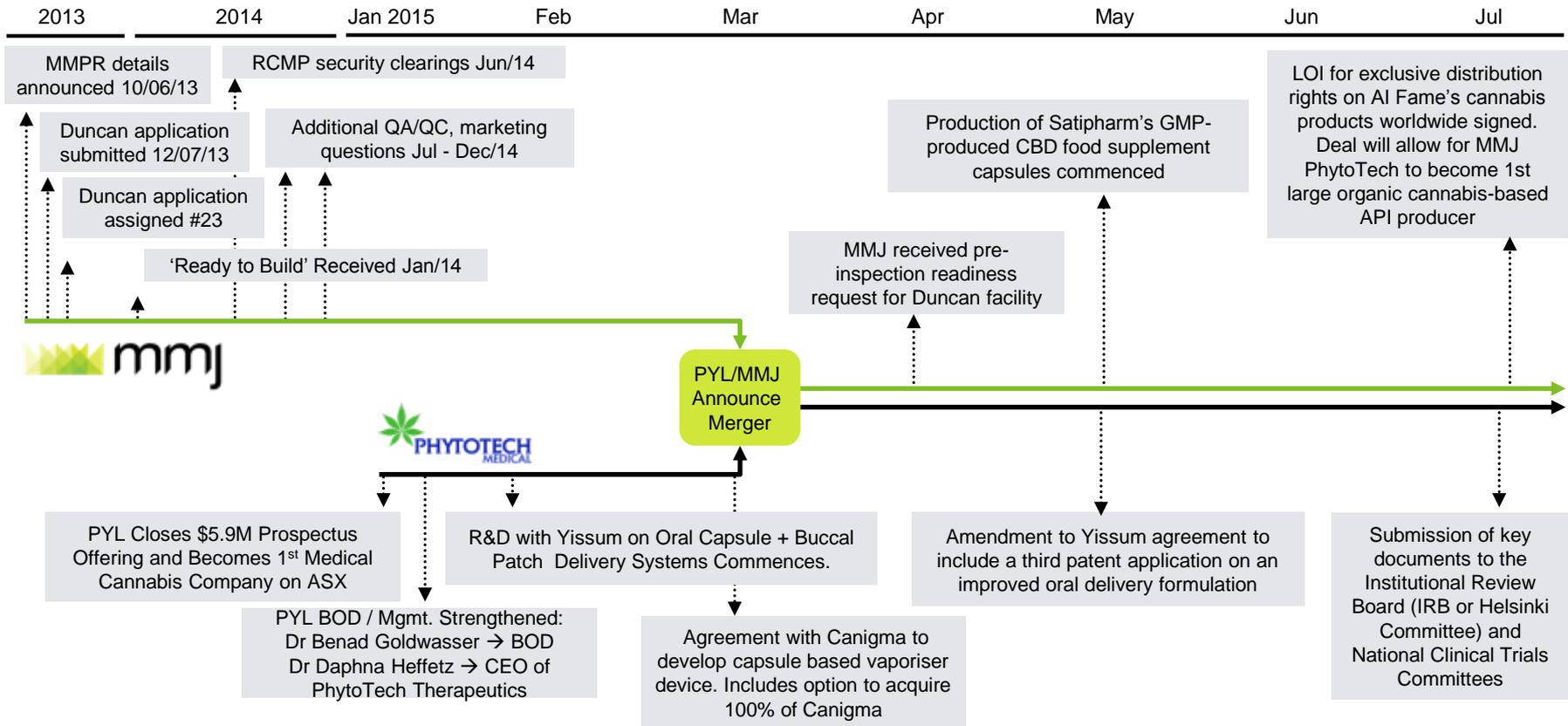
Indicative
Market
Characteristics

- Regulatory Burden
- Competition
- Margins



Executive Summary

Key Milestones to Date





Science-driven, global approach focused on the medicinal potential of Cannabis and its derivatives

- ✓ **Poised for rapid and significant growth in the near-term** → MMPR license, cash flow from CBD pill sales and phase 1 clinical trials
- ✓ **Positioned to be dominant player in long-term** → Accelerated entry into new markets via strategic alliances, innovative structuring and an aggressive yet disciplined approach
- ✓ **Significant synergies to be realised from merger** → Complementary strategies and assets; the combined entity collectively has the talent / resources to execute planned initiatives
- ✓ **“Farm to Pharma” is significant competitive advantage** → Strategy not only differentiates but makes possible many aspects of business plan, also serves as huge barrier to entry for competitors
- ✓ **Self Funding Pharmaceutical Developer** → Well timed cash flows from various business lines will enable growth to be financed internally with minimal dilution
- ✓ **Expert board and management team** → experience across all jurisdictions and operations within the MC value chain

Market Landscape

What is The Value Divide?

Combined Market Cap of 8
Public Canadian LPs⁽¹⁾

A\$422M

8 Public LPs

GW Pharmaceuticals
Market Capitalisation

A\$3,503M

GW Pharmaceuticals

The Great Value Divide



+8X

Larger than
All Public LPs



Notes: (1) This includes PharmaCan Capital (A\$15M), Emerald Health (formerly T-Bird, A\$17M), OrganiGram (A\$21M), Aurora Cannabis (A\$36M), Aphria (A\$56M), Bedrocan Canada (\$59M), Tweed (A\$105M), Mettrum (\$113M)

Farm to Pharma Why The Value Gap?

Illustrative Farm to Pharma Continuum



Farm



Pharma



8 Public LPs

Market Capitalisation
US\$23 - US\$82 M



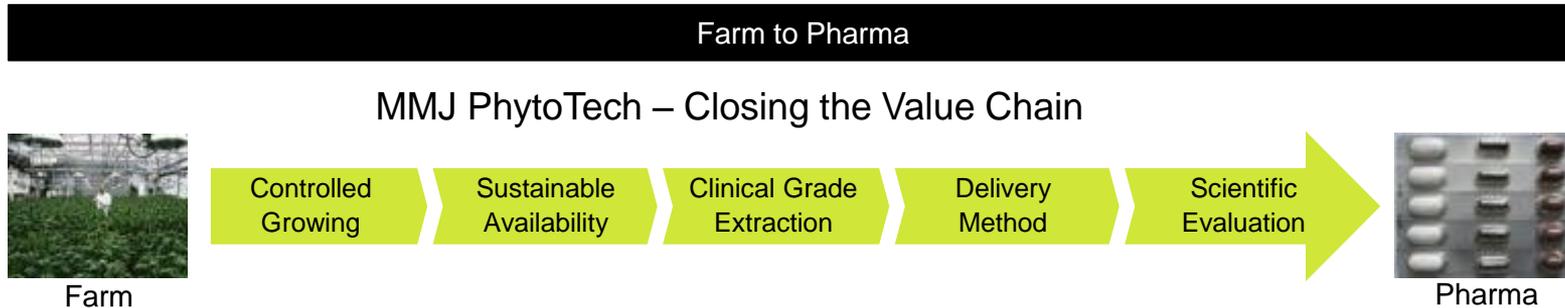
Market Capitalisation
AU\$3,503 M

The Difference is "Farm to Pharma" - Capturing the Entire Medical Cannabis Value Chain

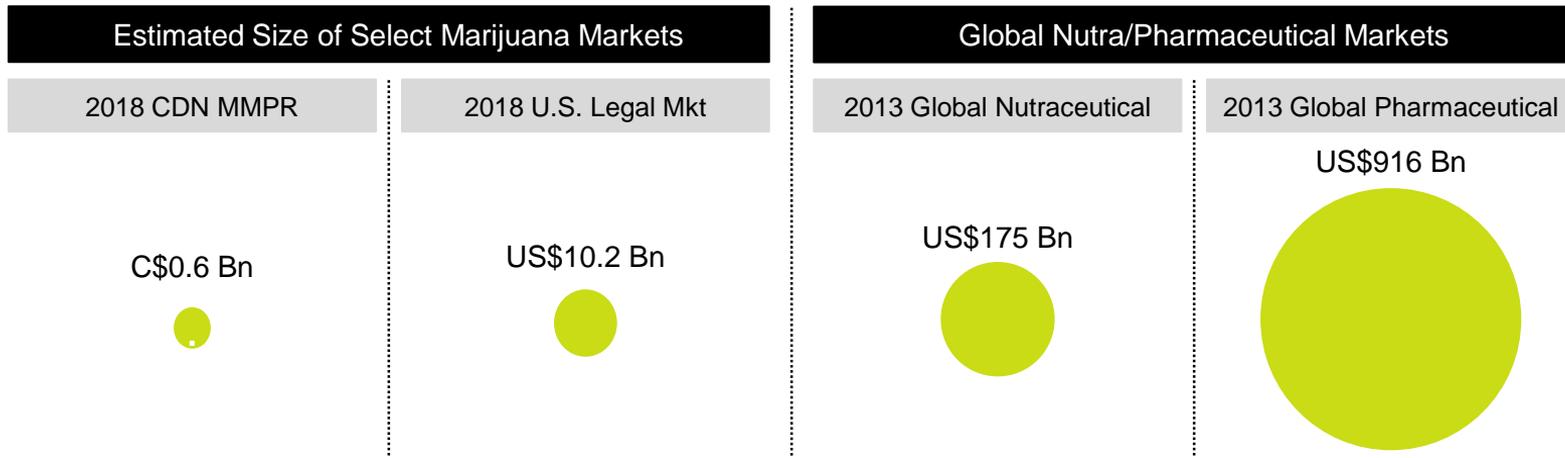


Market Capitalisation
AU\$40 M

Supply Chain



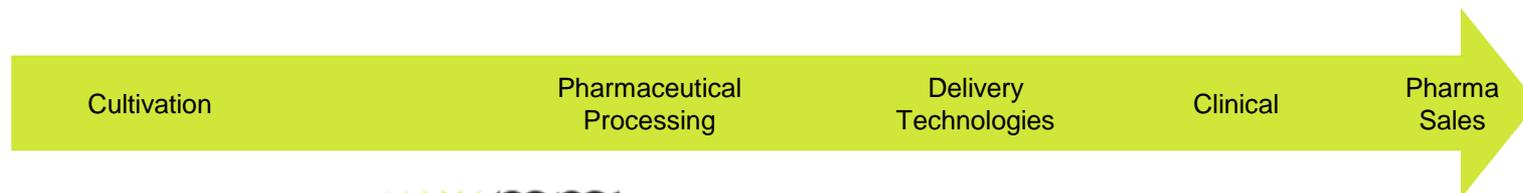
Market Sizes



Business Operations Operations Spanning the Entire Value Chain



	Cultivation Subsidiary Legal Source of Raw Input Public Canadian LPs	Developer & Distributor of Compounds & Delivery Systems	R&D and Clinical Development
Cash Flow	Near-term, meaningful	Near-term, multiple sources, significant	Low-cost, Accelerated "Short cut" Approach to R&D
Growth	Lucky Lake, Abundant M&A Opps	Capacity Expansion Underway, Numerous Opportunities	To Become R&D and Clinical Arm of the Group
Upcoming Catalysts	<ul style="list-style-type: none"> ✓ Pre-License Inspection ✓ Granting of MMPR License 	<ul style="list-style-type: none"> ✓ First Sales of CBD Supplement ✓ API Production Commencing in Sept 	<ul style="list-style-type: none"> ✓ Clinical Trials to Commence Q4 2015 ✓ Further Clinical Trials



Duncan (British Columbia)

- 16,000 ft² production facility and full quality control laboratory in Duncan, BC:
 - 9,600 ft² cultivation area
 - 1,000 ft² clean area
 - Level 8 security vault
- 4,000 ft², \$1.2mm facility upgrade completed Sept 2014
- Received “Confirmation of Readiness” letter from Health Canada on April 1st
- MMJ is currently working at maximum capacity to secure a pre-licensing inspection by September



Lucky Lake (Western Canada)

- 62,000 ft² modern agricultural facility
- Comprehensive MMPR application submitted in late March
- MMJ has received non-binding offers on the facility at multiples of original purchase price
- 18-acre site provides MMJ with scalability
 - +800,000 ft² (2) expansion capacity = 12 similar facilities = 132,000 kg/year additional capacity



- Satipharm and Ai Fame have entered a contract for the delivery of minimum 12kg CBD extract for the processing into an industry leading pill that can be sold in the European Union as a food supplement.
- The extract is processed by Gelpell in Switzerland into gastro resistant micro gel capsules with increased bioavailability under Gelpell's and MMJ PhytoTech's exclusive technology use agreement.
- Sales of the CBD pills will start online in July and are expected to reach several million in revenue during the first 12 months.



- Marijuana for Medical Purpose Regulations (MMPR) allow Licensed Producers (LP) to sell Medical Cannabis to patients enrolled under the MMPR – expected to be 400,000 patients by 2024
- On July 8, 2015 The Supreme Court in Canada ruled that LPs can produce and sell cannabis oil/extract and fresh marijuana buds and leaves in addition to dried marijuana

This opens up a substantial opportunity for MMJ PhytoTech in Canada to produce and distribute additional Cannabis products

- No LP currently has the extracts readily available
- MMJ PhytoTech and Ai Fame have signed a binding LOI that appoints Satipharm as the exclusive marketing and distribution agent for all products that Ai Fame produces. This includes up to 20kg of THC, CBD, THC-A, CBD-A and THCV extracts per month - Active Pharmaceutical Ingredient (API) grade compounds
- Satipharm can immediately export suitable extracts to all LPs in Canada and establish itself as a major supplier in the industry
- Further to this, Satipharm will be able to offer those extracts and APIs to research groups and pharmaceutical companies worldwide.
- API grade compounds from cannabis are, if they are available, traded at prices upwards of \$350,000 per kg.

Product	Status	Regulatory Path
<p>Oral Capsule</p> <ul style="list-style-type: none"> Targeting spasticity in MS patients 	<ul style="list-style-type: none"> Strong IP (issued patent + patent application) Successful Pre-clinical studies Forms submitted to IRB for Phase 1 clinical study in Q3 2015 	<ul style="list-style-type: none"> Favorable regulatory path <ul style="list-style-type: none"> No safety issues with already commercialised THC/CBD Basic formulation already commercial (Deximune®)
Buccal Patch	<ul style="list-style-type: none"> Strong IP (patent application) Pre-clinical stage 	<ul style="list-style-type: none"> Favorable regulatory path: <ul style="list-style-type: none"> No safety issues with already commercialised THC/CBD Basic formulation already commercial (OraMoist®; Canker Sores®)
Vaporiser Device	<ul style="list-style-type: none"> In development with Canigma PhytoTech also has the option to acquire 100% of Canigma 	

- The MS disease damages nerve cells in the brain and spinal cord which disrupts the ability of the nervous system to communicate with the body
- 350,000 to 500,000 are diagnosed in the US and approximately 2.5 million worldwide
- Currently valued at \$12bn, the multiple sclerosis market is expected to peak at \$18.3bn in 2018
- Spasticity refers to feelings of stiffness and a wide range of involuntary muscle spasms. It is one of the more common symptoms of MS
- Spasticity can lead to serious complications, including contractures and pressure sores
- There is currently no cure for spasticity. Few drugs provide relief (Baclofen®, Tizanidine®, Sativex®) but suffer from significant side effects.



Exclusive licensing and research partnership with Yissum Research & Development Company of the Hebrew University of Jerusalem in Israel

Includes three patent applications licensed to PhytoTech Medical

Utilises Yissum's state-of-the-art, proprietary drug delivery technologies and formulations to develop cannabinoids based products for a variety of highly potential clinical indications

ABOUT YISSUM

Yissum is ranked among the top technology transfer companies in the world with 8300 registered patents, over 700 technology licenses and over 80 companies spun out

Products based on the University technologies, commercialised by Yissum currently generate US\$2Billion in annual sales

Yissum has licensed out 750 technologies and has spun out 90 companies

H2 2015

H1 2016

H2 2016

2017

- Revenues from CBD pill sales in Europe
 - Acquire or license stabilised strains of Medical Cannabis
 - Commence development of vaporiser with Canigma
 - Phase 1 clinical study of two pro-nano-lipospheres Tetrahydrocannabinol (THC) and Cannabidiol (CBD) formulations
 - Receive license from MMPR and begin growing operations at Duncan
 - First pill and extract sales from Switzerland and
- Commence Oral Capsule and Buccal Patch Development
 - First crops from Duncan facility and revenues under MMPR
 - First API grade cannabinoids for sale by Satipharm
- Commence production of Vaporiser
 - Phase 2 clinical study of oral formulations. Phase 2 will assess the drugs capability to relieve pain and spasticity in Multiple Sclerosis (MS) patients
- Completion of Phase 2 clinical study for oral formulations to treat spasticity in MS patients



Appendix

	Shares	Options	Performance rights
Current issued capital	64,662,050 ²	2,500,000 ¹	20,000,000 ⁴
Initial shares	51,000,000	Nil	Nil
First deferred shares ⁵	8,500,000	Nil	Nil
Second deferred shares ⁶	8,500,000	Nil	Nil
Introduction fee shares	2,040,000	Nil	Nil
Total	132,702,050	2,500,000	20,000,000

Dan/Rosa – this table corrupted in my document – I could just about read it, but please can you double check it is all ok?
Thanks?

Notes:

1. This assumes no further securities are issued prior to settlement of the Acquisition.
2. This assumes 20,000,000 fully paid ordinary shares have been issued upon conversion of 20,000,000 Class A and Class B Performance Rights that have not yet been issued.
3. Each Option is unquoted and is exercisable at \$0.20 on or before three years from their date of issue.
4. This includes 10,000,000 Class C Performance Rights and 10,000,000 Class D Performance Rights on issue which have not vested yet.
5. The shares convert to ordinary PYL shares in the event that MMJ or one of its subsidiaries is granted a licence to produce under the Marihuana for Medical Purposes Regulations in Canada within 12 months of settlement of the merger.
6. The shares convert to ordinary PYL shares in the event that MMJ and its subsidiaries generate at least CAD\$5,000,000 in revenue from operating activities within 36 months of settlement of the merger.
7. All shares issued under the MMJ merger will be escrowed in equal thirds being freely tradeable 3 months, 9 months and 15 months from settlement of the merger respectively.

Board of Directors



Peter Wall,
LLB.
Indep. Chairman



Winton Willesee,
CPA
Non-Exec
Director



Jason Bednar,
CA
Non-Exec
Director



Ross McKay,
CMA
Non-Exec
Director



Andreas
Gedeon, Dipl-
Paed
Managing
Director



Boaz Wachtel,
MA
Head
International
Business
Development



Dr. Benad
Goldwasser, MD
MBA Chairman
of PhytoTech
Therapeutics/Dir
ector

Executive Management



Dr. Daphna
Heffetz, Phd
CEO



Dr.
Goldwasser,
MD MBA
Chairman



Tomas
Edvinsson
CEO



L. Michael
Hinam
CEO



Devon Brown,
CPA
CFO



Andreas Gedeon,
Dipl.- Paed.
Managing Director

- Mr. Gedeon, a former Officer in the German Navy, holds a degree in Educational Science from the University of Federal Armed Forces Munich.
- He is an experienced business man with proven expertise in large-scale and HR intensive projects.
- His previous areas of work include media production, the food industry, horticulture and commercial construction.



Boaz Wachtel
Head - International
Business Development

- Mr. Wachtel is an Israeli medical cannabis pioneer/activist who formulated and assisted the Ministry of Health with the implementation of the National Medical Cannabis Program – one of only three national programs in the world.
- He is a frequent lecturer and advisor to governments, businesses and NGOs on medical cannabis program formulation, grow operations, international laws and UN drug convention compliance, as well as the founder and former chairman of the Green Leaf Party – a political party for cannabis legalisation/medicalisation, human rights and ecology.



Dr. Benad Goldwasser,
MD MBA
Chairman of PhytoTech
Therapeutics, Executive
Director MMJ PhytoTech

- A well-known MD and serial entrepreneur in Israel. He has founded or co-founded at least nine companies including Vidamed Inc., (acquired by Medtronic after going public on NASDAQ); Medinol Ltd., (partnered with Boston Scientific for marketing and sales of its coronary stents), RITA Medical (public on NASDAQ) and Optonol (acquired by Alcon).
- He was a seed investor in Medcon Ltd. (acquired by McKesson Corp after going public on the Tel Aviv Stock Exchange) a company in medical IT. That went public on the Tel Aviv Stock exchange and was later acquired by McKesson Corp



Peter Wall, LLB.
B.Comm M.App
Fin. Independent
Chairman

- Mr. Wall is a corporate lawyer based in Perth, with over 15 years' experience in advertising on a wide range of corporate and commercial matters. He specialises in mergers and acquisitions, back door listings and all forms of capital market transactions.
- He also has significant experience in cross border transactions.



Ross McKay
(CMA) – Non
Executive
Director

- Ross has significant experience in the pharmacy, medical clinic and veterinarian fields and holds a BSc Pharm, Pharmacy degree from UBC. He is the 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.



Jason Bednar
(CA) – Non
Executive
Director

- Chartered Accountant with significant public markets experience at both management and board levels.
- He is currently the CFO of MENA Hydrocarbons, and board member of Canacol Energy and Solimar Energy.
- Mr. Bednar is actively involved in MMJ's corporate finance, strategy and business development activities.



Winton Willesee,
(CPA) – Non
Executive
Director

- Mr. Willesee is an experienced company director with a broad range of skills and experience in strategy, company development, corporate governance and corporate finance.
- He has considerable experience with ASX listed companies and has been involved with many successful ventures.
- He is a fellow of the Financial Services Institute of Australia, a Member of the Australian Institute of Company Directors, a member of CPA Australia and a Chartered Secretary.

MM -PhytoTech's Global Footprint Strategically Positioned in Select International Jurisdictions

