



GREENFERN
INDUSTRIES

Investment Presentation



Our Team



Dan Casey
Managing Director & Co-Founder

Dan is a project manager and civil engineer within the civil construction sector, with over 15 years of industry experience in New Zealand and internationally. Dan is experienced in all facets of the project lifecycle and intends to leverage his networks in the procurement, scheduling and delivery of the facility builds.



Daniel Leyden
Director & Co-Founder

Dan manages his own electrical contracting business. His experiences as a Project Director managing both small and large scale domestic and commercial electrical installations is vital to the establishment of a facility that is technologically advanced. This will allow for off-site back-to-base management.



Andrew Jeffery
Strategic Advisor

Andrew is not only an international cannabis & hemp industry investor but a strategic advisory with a focus on medicinal and pharmaceutical markets. He comes into the industry with a plethora of experiences and skills with a vast network – once a Military Commander (Scots Guards) and Investment Manager (Merrill Lynch).



Timothy Irvin ('TJ')
Grow Manager & Advocate

As a hemp farmer, entrepreneur and business owner of the Slammer Tool, Timothy has a wealth of knowledge and contacts within the medicinal cannabis industry, both in the US and in New Zealand. Timothy has been a holder of numerous industrial hemp growing licences and is an advocate in the New Zealand Hemp Industry.



Mohammed Aiyaz PhD
Scientific Advisor

Above being an Associate Director for Therapy Watch at Research Partnerships, Mohammed holds a PhD in Neuroscience and specialises in developing molecular diagnostic tools that can be translated for clinical use. Mohammed specialises in autoimmune diseases (RA, PSA, AxSpA and PsO) & neurological diseases like Parkinson's and Alzheimer's.



Bhaskar Mitra PhD
Scientific Advisor

Dr. Bhaskar Mitra has worked with diverse FMCG conglomerates and food start-ups, thereby leading proactive organisations to reformulate the superfood revolution. Presently, Bhaskar is the Alternative Protein Category Leader for Nestle Product Technology Centre Germany and is focussed on translating innovative concepts from pipeline to the platform.



What is Medicinal Cannabis?

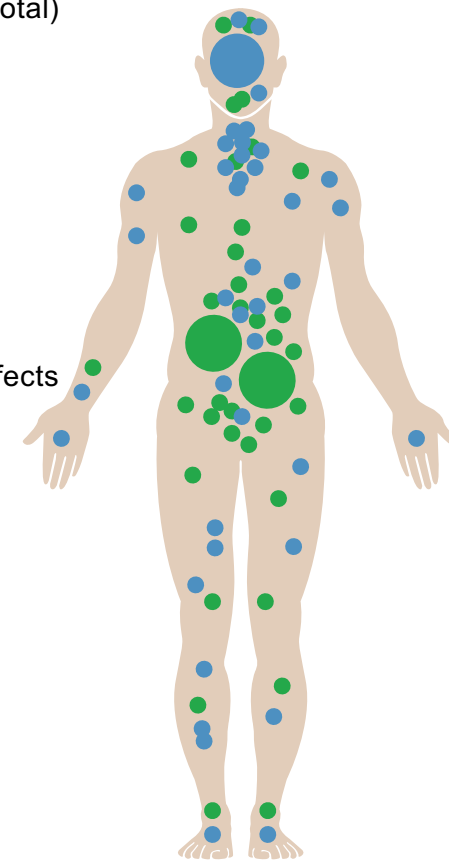
Hemp and cannabis both come from the genus *Cannabis sativa* L. but have distinctly different chemical compositions and uses and are subject to different legal treatment.

- Thought to be around 100 cannabinoids, a unique class of chemical compound, in *Cannabis sativa* plants (of 400 total)
- CBD and THC are the most widely researched but others have also been found to have medical benefits
- 700+ established strains of cannabis plants globally, usually defined by the cannabinoid composition

The human body has an endocannabinoid system which is involved in regulating various physiological and cognitive processes. This system has two primary receptors – CB1 and CB2 - which largely relate to the brain, central nervous system and immune system. Cannabinoids act on these receptors to affect our physical and mental states.

For some people suffering from chronic or terminal illnesses, conventional medicines do not work, or do not work as effectively as medicinal cannabis. For some patients, conventional medicines may work but cause debilitating side effects that cannabis can help to relieve. An increasing number of scientific studies supports this anecdotal evidence.

Cannabidiol (“CBD”)	<ul style="list-style-type: none">• CBD can be extracted from hemp or cannabis.• Non-psychoactive compound that has shown to have efficacy for a wide range of conditions• CBD is widely believed to have a positive effect on such functions as mood, sleep, appetite, hormone regulation and immune response
Hemp	<ul style="list-style-type: none">• Hemp is commonly used as a name for low THC strains (less than 0.3%) of <i>Cannabis sativa</i>• There are four usable parts of the hemp plant: the inner fibres (hurd), the outer fibres (bast), the seeds and the female flower.• Wide range of uses including foods as it is exceptionally rich in protein and two essential fatty acids
Tetrahydrocannabinol (“THC”)	<ul style="list-style-type: none">• Psychoactive compound that induces a “high”• Potentially better than CBD at treating a range of neurological conditions



CB1 (Blue) and CB2 (Green) receptors in the human body



The Opportunity

The Problem

- Existing imported medical cannabis products are very expensive
- Zero domestic medical cannabis production or manufacturing in New Zealand
- Quality controlled indoor growing uses a lot of electricity
- Black market quality, provenance and consistency issues
- Taranaki region is reliant on dairy farming, oil and gas and needs to diversify
- Farmers want to grow hemp, but lack the support and know-how and market access
- Negative stigma around cannabis

The Solution

- ✓ Research, cultivate, process and manufacture domestically in New Zealand
- ✓ Develop high quality, consistent, fit-for-purpose and blockchain traceable products
- ✓ Produce cannabis products with environmental sustainability values at the core that consumers value, trust and gravitate to
- ✓ Import GMP manufactured, quality medicinal cannabis products
- ✓ Use clean, renewable low-cost electricity to reduce the cost of production while being gentle on the environment
- ✓ Develop a Taranaki regional hub to process farmers hemp crops, support them and buy off them





About Us

The Story

- Founded by 5 school friends with a passion for innovation, sustainability and technology
- Team have ambitions to be a globally recognised New Zealand brand in medicinal cannabis

The Company

- Greenfern Industries is a cannabis company based in Taranaki, New Zealand, with a Government-issued medicinal cannabis licence to cultivate CBD and THC dominant strains. Greenfern also grows industrial hemp in several other regions in New Zealand (holding 3 industrial hemp licenses)
- Greenfern's Taranaki location is based on-site at a hydropower station and has an agreement for direct supply of low-cost renewable power (as well as a binding option to acquire)

The Ethos

- Greenfern are putting cannabis in a new light by producing a range of products that will be mainstream, gentle on the environment and provide a more natural path to health and wellness
- "Made in New Zealand": Proudly New Zealand based and branded



Our Inspiration

Greenfern draws its inspiration from Theo's story – a story of the difference that cannabis extracts can make to the lives of those suffering from epilepsy, and their families.

“Once Theo started treatment with cannabis oil the seizures stopped.”



Theo's father TJ is an industrial hemp farmer and Greenfern team member. His passion is to share the medicinal benefits of this plant through the supply of a quality controlled, fit-for-purpose, environmentally friendly and affordable product.



Investment Highlights

1. Unique Competitive Advantage

Electricity costs represent 20-80% of the cost of cannabis production. The hydropower station powering Greenfern's operations – which they intend to purchase - provides significant power savings (by 86%) and reduces environmental footprint

2. Validated Business Model

Greenfern has secured numerous exclusive licensing and distribution agreements. These agreements cover a range of products, providing validation for the Company's diverse approach.

3. Innovative Research

Greenfern continues to pioneer innovative applications of CBD/Hemp. The Company is developing a unique medicine formulation and owns the IP for a hemp-based meat alternative.

4. Experienced & Diversified

Greenfern derives multiple sources of revenue, including wholesale distribution of hemp and cannabis flower, alongside consumer products such as its hemp body care product line (MaTo).

6. IPO Plans

Greenfern has intentions to conduct an IPO in 2021 (and has mandated a sponsor), providing a platform for further growth and liquidity to investors

5. Significant Market Opportunity

With a range of therapeutic and medicinal applications already regulated around the world, and an increasing market opportunity for recreational use, Greenfern is well-positioned to capitalise and scale.





Group Assets

RESEARCH & DEVELOPMENT



Normanby - Taranaki

- 11-100 hectares (+ HEP station)
- Pending commercial license



Strategic investment with NZ hemp genetics company providing share-holder access to the genetics & ability to seed bank

BREEDING & CULTIVATION



Haast – West Coast

- 5 hectares



Lake Hawea – Central Otago

- 10-30 hectares

PRODUCTS

Medicinal (B2B2C)



Hemp-based Body Care Product (MaTo soap with Manuka honey)

Proprietary Medicinal Products (Theonol) – coming in 2021



Food & Beverage (B2B2C)



Hemp-based meat substitute (*trial stage and exclusive ingredient licensing agreement*)

Hemp beer (*trial stage and commercial agreement signed*)



Wholesale (B2B)



Medicinal Cannabis Flower



Hemp Products (including hemp seed oil)

MARKETING & DISTRIBUTION

Domestic New Zealand Market

MOU with Thailand entity to distribute into SE Asia

Future Target Countries: Australia, USA, Canada, UK, Germany

IMPORT

- 3 x exclusive distribution agreements with companies producing GMP manufactured medicinal cannabis products (for resale into NZ wholesale markets)

OTHER ASSETS



1 x Govt. -issued medicinal cannabis cultivation licence to grow CBD & THC dominant cannabis strains



3 x industrial hemp growing licences



Binding option to purchase the hydroelectric power station alongside a discounted electricity agreement

reset
BIOSCIENCE





The Regulation

Timeline

- **December 2018:** The New Zealand Government passed a legislation that would allow easier access to medicinal cannabis products. This in turn opened the opportunity for a domestic industry to established.
- **December 2019:** The government established the **Medicinal Cannabis Scheme ("Scheme")**
- **April 2020:** The scheme became effective and would serve to govern the New Zealand medicinal cannabis sector.
- **Late 2020:** Referendum on recreational legislation

- ✓ Medicinal cannabis gaining the support of all major political parties.
- ✓ Historic record of good quality and sustainable agricultural practices.
- ✓ Finalized Free Trade Agreements with 16 countries with an EU agreement in consultations

Medicinal Cannabis Scheme

- Single overarching Scheme License which spans all types of commercial activities as well as individual licenses exist in specifying the activities that a licensee can engage within.
- Carries Good Manufacturing Practice (GMP) standards for all aspects of consumption and production. Widely accepted standard for all pharmaceutical grade medicines.
- Permits the exportation of cannabinoid extracts and dried flowers – comparative to other jurisdictions where exportation is barred despite production being legal
- Allows illicit plants and seeds to transition into legal and commercial markets upon declaration.
- ✓ Greenfern is now one of the few New Zealand companies with a cultivation license ready to take advantage of this new legislation.

65%

of New Zealanders
support the medicinal cannabis law
change

One third

of New Zealanders would
be willing to try cannabis wellbeing
products

**1 x Medicinal Cannabis
Research & Cultivation
License**

Held by Greenfern (and a pending Commercial
license)



Medicinal Cannabis Market Size



Size of the Market

- Global spending on legal cannabis is forecast to reach \$57 billion by 2027
- Medicinal sales are estimated to comprise \$19.1 billion ¹
- Approximate \$1.0 billion NZD market size ¹
- Consumption of medical cannabis is currently legal in 40+ countries
- There are over a dozen countries where it is in the process of being legalised






Applications in NZ Healthcare

- \$16.8 billion NZD health care expenditure 2017-18 ²
- Currently ~250,000 medicinal cannabis users ³
- 624,000 patients with arthritis ⁴
- 20,000 per annum new cancer patients ⁵
- 48,000 patients with epilepsy ⁶

R&D and Cultivation: Locations



	Normanby – Taranaki 	Haast – West Coast 	Lake Hawea – Central Otago 
Facility Type	Research & Development Cultivation	Cultivation	Cultivation
Facilities Details	<ul style="list-style-type: none"> Indoor medicinal cannabis research cultivation facility Hydroelectric power station driving operations 	<ul style="list-style-type: none"> Outdoor hemp cultivation for research, breeding and seed banking Opportunity to grow medicinal cannabis through renewable energy 	<ul style="list-style-type: none"> Outdoor broad acre hemp cultivation location primarily established to harvest and extract hemp seed for food production
Facility Size	<ul style="list-style-type: none"> 11-100 hectares (27-247 acres) of land 	<ul style="list-style-type: none"> 5 hectares (12 acres) of land 	<ul style="list-style-type: none"> 10-30 hectares (25-74 acres) of land
Licenses	<ul style="list-style-type: none"> Industrial hemp licenses for various activities for Normandy and neighbouring land Medicinal cannabis R&D and cultivation license, plus a pending commercial licence 	<ul style="list-style-type: none"> Industrial Hemp growing license for seed production 	<ul style="list-style-type: none"> Industrial Hemp growing license for seed production
Status	<ul style="list-style-type: none"> Phase 1 Operational (November 2020) 	<ul style="list-style-type: none"> Operational 	<ul style="list-style-type: none"> Operational with planned facility upgrade (December 2020)
Crop Type	<ul style="list-style-type: none"> Medicinal Cannabis and Hemp 	<ul style="list-style-type: none"> Hemp 	<ul style="list-style-type: none"> Hemp



Our Path to Today

	2018	2019	2020
Company	<ul style="list-style-type: none">• Company incorporated	<ul style="list-style-type: none">• Medicinal cannabis cultivation research licence granted• Hemp meat substitute Research and Development with The Riddet Institute (Massey University)• Greenfern and Double Vision Brewing first hemp beer trial• Normanby facility resource and Iwi consents granted	<ul style="list-style-type: none">• Signed three agreements with international partners to distribute their medical cannabis products exclusively in New Zealand• Letter of intent signed with an Australian medical cannabis manufacturer to pursue a commercial supply of dried cannabis flower from Greenfern• Three industrial hemp licenses of various activities for Normanby and neighbouring land parcels
Funding	<ul style="list-style-type: none">• Bootstrapped by Founders	<ul style="list-style-type: none">• NZD\$1.8 million raised with Collinson Crowdfunding	<ul style="list-style-type: none">• Equitise pre-IPO fundraising• Mandate signed with an NZX sponsor and Investment Banking Services provider IRG



Next Steps



- Purchase the Normanby hydropower station

- Lake Hawea location Hemp cultivation facility upgrade

- Three industrial hemp licenses of various activities for Normanby location and neighbouring land parcels

H2 2020

- First commercial medical cannabis harvest

- Commercial manufacturing trial of hemp meat substitute

- Normanby location Phase 1 expansion (Phase 2) medical cannabis facility complete

H1 2021

- Theonol® (blend of CBD and THC pharmaceutical brand) clinical trial commences

- Nutraceutical product mānuka honey + CBD exports begin

- Planned IPO

H2 2021

Product Portfolio (B2B2C)



Hemp-based Body Care Products (MATO™)



Theonol (own brand medicinal products)



Meat Alternative



Beer

Achieved

- Combines hemp seed oil with manuka honey
- MaTo™ natural wash bars are sold at wholesale rates to distributors
- Currently available in over a dozen supermarkets and stockists throughout New Zealand
- Ideal for export markets
- Leveraging the brand power of 'Made in New Zealand'

- Trademarked under the name Theonol®, the proprietary blend of CBD and THC Greenfern is developing is intended to represent Greenfern's flagship pharmaceutical product range

- Produced as a by-product of its hemp production and processing
- Will provide a strong source of revenue for the company, through licencing and volume-based royalty agreements
- Have signed Heads of Agreement for commercialisation with Sustainable Foods Limited, the creators of the The Craft Meat Co brand
- Have licensed the hemp meat ingredient

- Greenfern and Double Vision Brewing have trialled 3 styles (lager, ale, kolsch..) in their brewery and bar

Next Steps

- When regulation allows, CBD will be added to the products which is intended to provide therapeutic benefits

- Rigorous clinical trials and testing regimes in 2021

- Commercial manufacturing trial of hemp meat substitute

- Commercialisation of beer with distribution through existing supermarket supply network



Hemp Foods

Greenfern has been working with a leading global food science institute (Massey University) to develop IP for several food types using hemp as a base ingredient.

- Hemp Meat Substitute
- Hemp Snacks
- Signed Heads of Agreement signed for the commercialisation of
- the hemp meat substitute IP plus Greenfern's exclusive hemp supply to Sustainable Foods Limited, the creators of the The Craft Meat Co

MaTo®

MaTo® is Greenfern's own hemp oil + manuka honey cosmetic product range

- Own organic hemp seed cold pressed on location post harvest
- MaTo is trademark registered
- MOU in place with a Thailand based entity to distribute in South East Asia
- 12,000 strong social media community, 1000 shareholders and brand ambassadors to promote to
- Affiliate system to reward an army of micro-influencers
- More products in development
- CBD to be added next year

www.mato.co.nz





The Fundraising

To accelerate Greenfern's medicinal cannabis plans, take advantage of exciting new opportunities, acquire a strategic asset and start a path towards an IPO in 2020; Greenfern are seeking to raise

NZ \$4M

for company equity.

- **NZ\$1.5M** has already been secured
- The Directors have valued the total shares pre-money at **NZ \$14.7M**

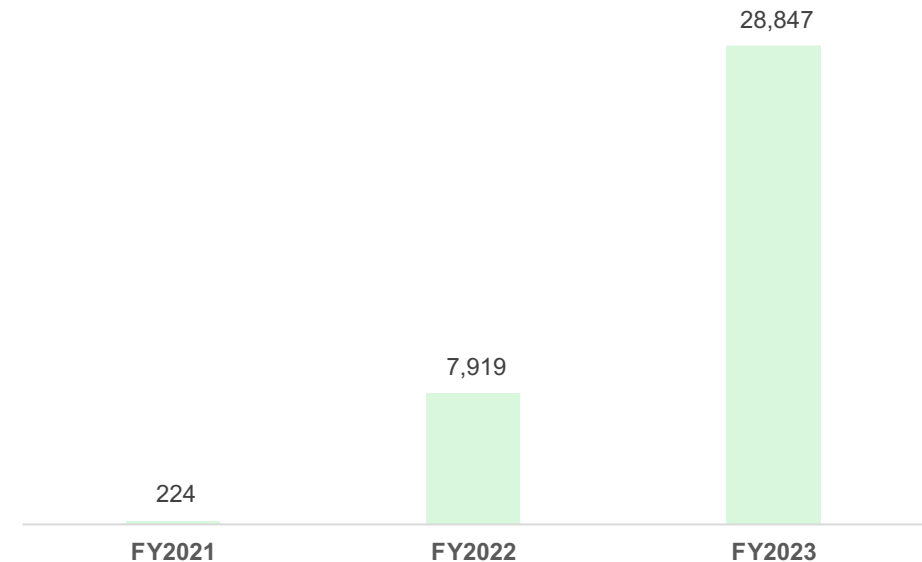
Use of Proceeds (Maximum)

Offer Costs	\$240k
Acquisition of Hydroelectric Power Plant	\$1m
Preparation costs for public listing	up to c. \$500k
Working capital	\$960k
R&D	\$300k
Facility Investment	\$1m



Financial Summary

- Revenue growth driven largely by wholesale flower sales (c. 75-80%)
- Exports commence late 2021 for MaTo and Theonol ramped up in 2022
- RR EBITDA margins at c.65% supported by low cost electricity supply



Revenue forecast is taking into account the amount of dried medical grade flower a 5,000m² facility could produce and the current (10/02/2020) wholesale kg price of \$4500 NZD.

Financial Year Ending 31 March.

Comparables – New Zealand



Company	Helius Therapeutics	Cannasouth	Rua Bioscience	Greenfern Industries
Region	Auckland	Waikato	Ruatorea	Taranaki
Status	Fundraising	Listed	Preparing for IPO (as of Aug 2020)	Fundraising
Latest valuation (NZ\$)	105 ¹	107 ²	40-50 (pre-money)	14.7 (pre-money)
Research and Development	✓	✓	✓ (External partners)	✓ (Callaghan Innovation)
Cannabis Cultivation License	✓	✓	✓	✓
Cultivation	✓	✓ (Vera Cultivation)	✓	✓
Manufacture	✓	✓	✓	✓
Supply	✓ (MediPharm Labs)	✓ (MediPharm Labs & JV)	✓	✓

1. Valuation following latest fundraise in Feb 2020. Source: NZ Herald.

2. Market cap as of 1 September 2020.



Comparables – Australia

Name	Algae.Tec	Althea	ANTG	AusCann	Bod Australia	Cann Group	CannPal	Creso Pharma	Elixinol	MedLab Clinical	MGC Pharma	The Hydroponics Co	TPI Enterprises	Greenfern Industries
State		VIC	NSW		NSW	VIC				VIC				Taranaki
Market Cap (A\$m) ¹	8.7	100.3	N/A	45.97	26.5	56.4	9.78	5.6	28.9	39.03	36.4	39.5	N/A	13.7 (Pre-money val)
R&D		✓	✓	Via Partner		✓				✓		✓	✓	✓
Cultivation		✓	✓	✓		✓			Applied		Applied	✓	✓	✓
Permit/License			✓	Via Partner		✓								✓
Manufacture		Applied	✓	✓					Applied	Via Partner		Applied	Applied	✓
Supply		✓	✓		✓	✓				✓				✓
Import ODC		✓	✓		✓	✓	✓	Via Partner	Applied	✓	Via Partner			Via Partner
Import Export						✓			Applied	Applied		Applied	Applied	Via Partner

1. Market cap as of 1 September 2020.



Thank you

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🔗 [Greenfern Industries Video](#)

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