

The logo for CordovaCann features the word "CORDOVA" in a bold, black, sans-serif font. The letter "O" is replaced by a stylized yellow and orange flame or drop shape with a black outline. Below "CORDOVA" is the word "CANN" in the same bold, black, sans-serif font.

**CORDOVA  
CANN**

The logo for StarBuds Cannabis Co. features the word "STAR" in a bold, black, sans-serif font, followed by a green five-pointed star, and then the word "BUDS" in the same bold, black, sans-serif font. Below "STAR BUDS" is the text "CANNABIS CO" in a smaller, black, sans-serif font.

**STAR★BUDS  
CANNABIS CO**

## **The International Cannabis Opportunity**

Investor Presentation – December 11, 2020

CordovaCann Corporation

CSE: CDVA

OTC: LVRLF

# DISCLAIMER

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# EXECUTIVE SUMMARY

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## **CordovaCann is building the leading, vertically-integrated cannabis products Company focused on the North American markets**

- Through its acquisition of certain assets from Star Buds International, as well as other retail assets in Ontario, Cordova has exclusive rights to own and operate retail stores under the Star Buds brand across Canada
  - Star Buds is a proven brand and retail operator in the Colorado, Oklahoma and Maryland markets, with 21 stores generating over \$60 million USD in annual revenue
  - Five stores open across Ontario and Manitoba, with plans to open 2 more in Ontario, 2 more in Manitoba, 5 in Alberta and 1 in British Columbia, with minimal additional investment needed to complete buildouts
  - Management believes the opportunity exists to open 75+ Star Buds stores in Canada over the next 3 years
  - Extremely compelling projected store unit economics, ~\$150-\$200K CAD investment with payback of 6-12 months after open and potential annualized store EBITDA of over \$500K CAD
  - **First three stores in Ontario have been profitable since their first week of operations – combined, they are on track to generate over \$10 million CAD in annualized revenue, with gross margins of 35%.**
- Cordova also owns a licensed cultivation facility in Oregon with significant expansion opportunities in cultivation and manufacturing – operations begin under Cordova this month
  - **Potential for over 3,400 LBs of premium flower production and over 3,000 liters of distillate production**

# BOARD/MANAGEMENT TEAM

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**Highly skilled team with the experience to execute and scale quickly that has significant “skin in the game” – insiders own ~20% of the Company**

**Taz Turner, CEO, Board Member**

- 20 years experience in investing and capital markets
- Founded Southshore Capital, former Partner at Traftlet Funds

**Jakob Ripshtein, Board Member**

- Former President of Aphria, a leading global cannabis company
- Former CFO at Diageo North America & President of Diageo Canada

**Ben Higham, Board Member**

- Founder and board member of Star Buds International
- Practiced corporate law in both Canada and the U.S.

**Dale Rasmussen, Board Member**

- Executive and consultant to numerous growth companies
- Former board member of Quantum Fuel Systems and Fisker Auto

**Joe Anto, Senior Advisor**

- 20 years experience in finance, investing, M&A and operations
- Former CEO of 550 store retail chain Fred’s Inc.

**Brian Ruden, Special Advisor**

- Founder & CEO of Star Buds Inc., U.S based cannabis retail chain
- Prior to founding Star Buds, was a tax attorney in Colorado

**Ashish Kapoor, CFO**

- Over 20 years experience in finance and capital markets
- Extensive public company executive experience

**Graeme Hawkins, President, Canada Operations**

- National level retail operations experience
- Primary contact for local/provincial authorities

**Tom Logan, General Manager, Oregon**

- 20 years experience running cultivation facilities
- Ran a large-scale, medical cannabis business in Seattle

# THE STAR BUDS PLATFORM

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**Cordova is partnering with Star Buds Inc., a proven operator in multiple U.S. states, to rapidly build a leading retail platform across Canada**

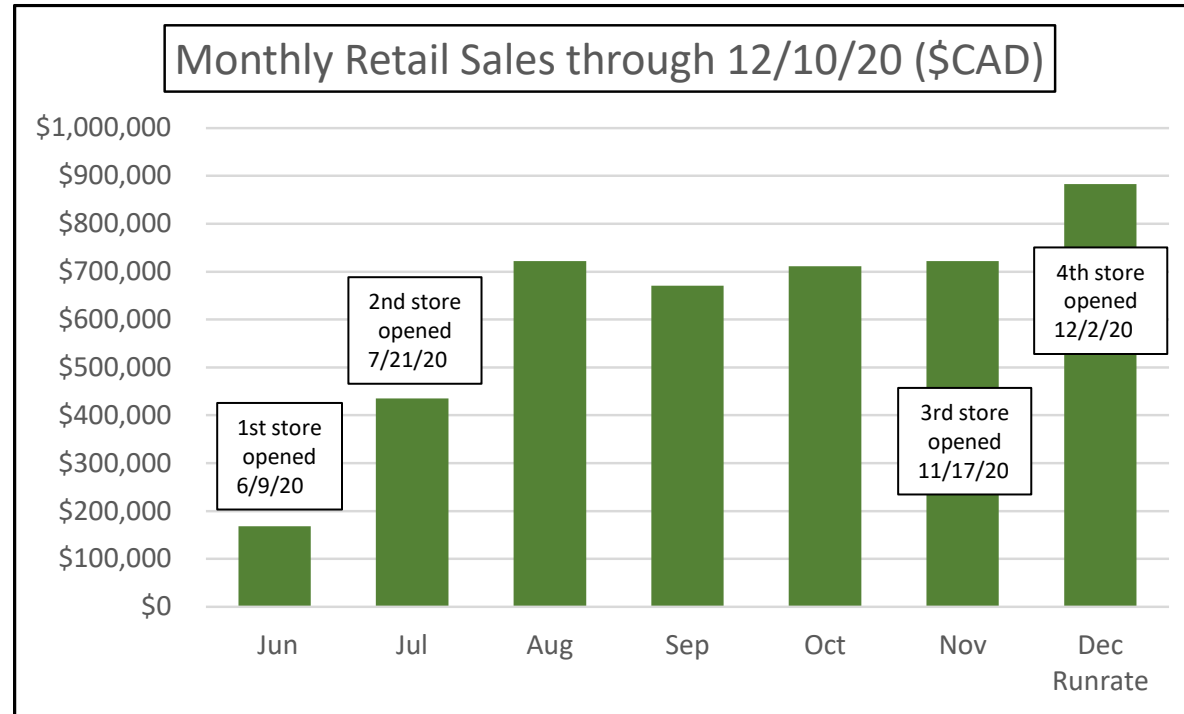
- *Star Buds Inc. owns and operates a profitable chain of 21 stores in Colorado, Oklahoma Maryland and Jamaica – it has been in operations since 2014 and generates over \$60 million in annual revenue*
- Star Buds Inc. is an established U.S.-based operator with tremendous customer loyalty and brand recognition
- As a result of the transaction between Cordova and Star Buds International, Star Buds U.S. principals are now significant shareholders of Cordova
- Brian Ruden, CEO of Star Buds, is a special advisor to Cordova
- Cordova has the exclusive right to utilize the Star Buds name and will be able to utilize Star Buds suite of in-house cannabis brands across its stores in Canada
- Leveraging the expertise, standard operating procedures and best practices of Star Buds U.S. will allow Cordova to expand rapidly in its Canadian markets



# STORE PERFORMANCE

**On a combined basis, the Company's first three stores are averaging over \$28K CAD per day in sales, outperforming initial expectations**

- 5<sup>th</sup> store opened on 12/11/20 and is not included in the below chart
- It takes ~60 days for the new stores to ramp to a relatively steady run-rate



\*See "Forward-Looking Statements".

# RETAIL STORE ECONOMICS

**Stores are not expensive or time-consuming to build and projected store unit economics drive short payback period**

<b>Projected Annual Single Store P&amp;L (in \$CAD) *</b>		
Revenue	\$ 3,300,000	100.0%
Cost of Goods Sold	\$ 2,145,000	65.0%
Gross Profit	\$ 1,155,000	35.0%
Operating Expenses	\$ 610,000	18.5%
EBITDA	\$ 545,000	16.5%
Taxes @ 26%	\$ 141,700	4.3%
Net Income	\$ 403,300	12.2%

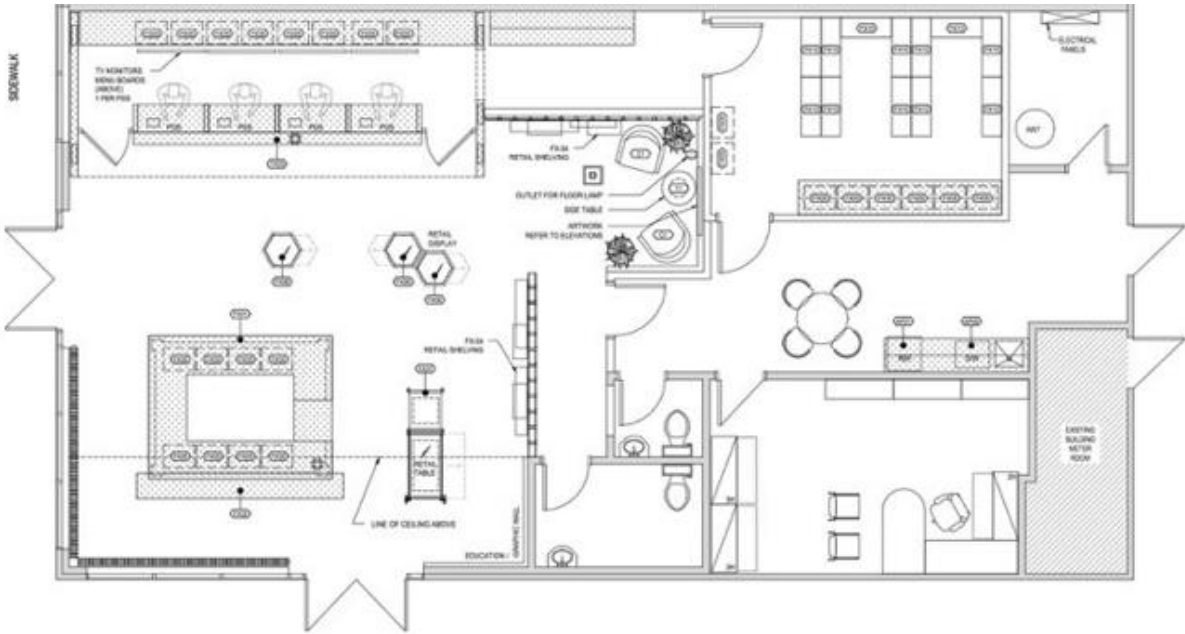
<b>Unit Economics *</b>
Projected Buildout Capex & Inventory (1,000 - 2,300 sq. ft.): <b>~\$150-250 CAD</b>
Projected Buildout Timeframe (post lease execution): <b>~3 months</b>
Potential Payback Period: <b>&lt;1 year</b>

\*See "Forward-Looking Statements".



# RETAIL STORE DESIGN

Clean and simple store design reduces costs and buildout timeline, while enhancing the customer experience



- backlit sign  
 - built-up sides  
 - limited chairs  
 - alternate  
 - background  
 - cold-rolled steel  
 - secondary wall  
 - star buds per  
 mt. back lit  
 - graphic only

# EASTERN CANADA RETAIL OPPORTUNITIES

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**Cordova owns a majority interest in joint-ventures in Ontario and Manitoba which have secured licenses to open up to 75 recreational dispensaries**

## ONTARIO – CORDOVA OWNS 60.5% OF THE JV

- 4 stores open and 2 more expected to be opened over the next 6 months
  - Barrie, ON (Livingstone Street) – 1,004 square feet – **opened on June 9, 2020**
  - Bradford, ON – 2,230 square feet – **opened on July 21, 2020**
  - Innisfil, ON – 1,750 square feet – **opened on November 17, 2020**
  - Barrie, ON (Huron Road) – 1,857 square feet – **opened on December 11, 2020**

## MANITOBA – CORDOVA OWNS 51.0% OF THE JV

- 1 store open and 2 more expected to be opened over the next 6 months
  - Winnipeg, MB – 1,150 square feet – **opened on December 2, 2020**

# WESTERN CANADA RETAIL OPPORTUNITIES

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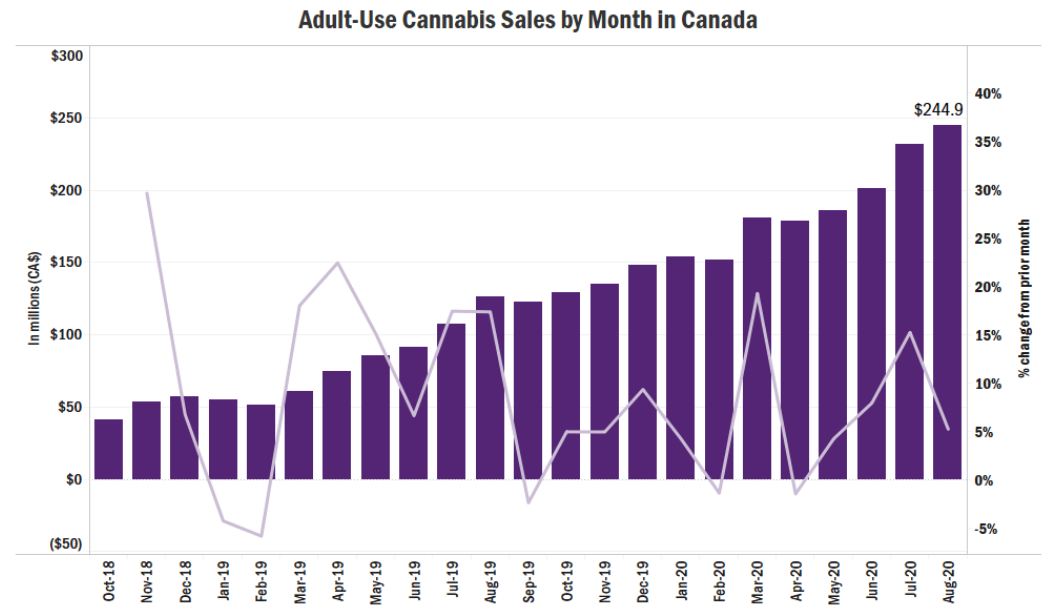
**Opportunity exists to open 6 Star Buds stores over the next 6 months, most of which are already built out**

- The Company owns 3 retail stores in Alberta where the buildouts are essentially complete, 2 of which will also house medical clinics – **expected to open once license transfer is completed (~1 month)**
  - Canmore AB – 1,200 square feet of retail – **planned opening: January 2021**
  - Edmonton Newcastle AB – 3,000 square feet of retail – **planned opening: February 2021**
  - Edmonton Westlink AB – 2,200 square feet of retail – **planned opening: February 2021**
- The Company also owns 2 additional retail stores in Alberta and 1 medical clinic in British Columbia that can be converted into a retail store – **expected to open within 3-5 months once buildouts and licensing transfer completed**
  - Edmonton Westlawn AB – 2,250 square feet of retail space – **planned opening: March 2021**
  - Calgary Bowness AB – 1,250 square feet of retail – **planned opening: April 2021**
  - Kelowna BC – 1,520 square feet, can be converted from medical to retail – **planned opening: April 2021**

# CANADA MARKET OVERVIEW

**Canada is a recreational cannabis market that has tremendous future growth in retail due to nascent rollouts in various provinces**

- Legal for medical use in 2001 and recreational use in 2018
- First 12 months of recreational sales were \$907M and sales are expected to grow to \$3B annually by 2022
- With a total population of 37.6M, over 17% of Canadians over 15 have used cannabis in the past 12 months
- The most populous province of Ontario (14.6M people) announced a switch from a government-led retail rollout to a private model that began in late 2019
- Manitoba is a nascent market with only 30 dispensaries and just opened to new store applicants in June 2020
- In Alberta (4.7M people) there are only 417 retail license holders, primarily in the greater Calgary area



\*Adult-use sales began Oct. 17, 2018.

Source: Statistics Canada  
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\*Source: Statistics Canada

# OREGON OPERATION

**Cordova owns a 6-acre facility outside of Portland that has a Tier II cultivation license and a manufacturing license pending**

- Established cultivation operation in Calackamas, 16 miles southeast of Portland, that has operated since 2016
- Originally cultivated ~700 square feet of indoor grow space
- CordovaCann purchased the facility (June 19) for \$1.45 million and invested another \$1.3 million to build 4 greenhouses and purchase a pre-fabricated steel building to be used for extraction and manufacturing
- Cultivation license transferred to Cordova on November 20, 2020
- 4 greenhouses expected to add 8,000 square feet of growing capacity – minimal additional capex to finish buildout
- Manufacturing buildout would enable production of crude, distillates, concentrates, and select edibles

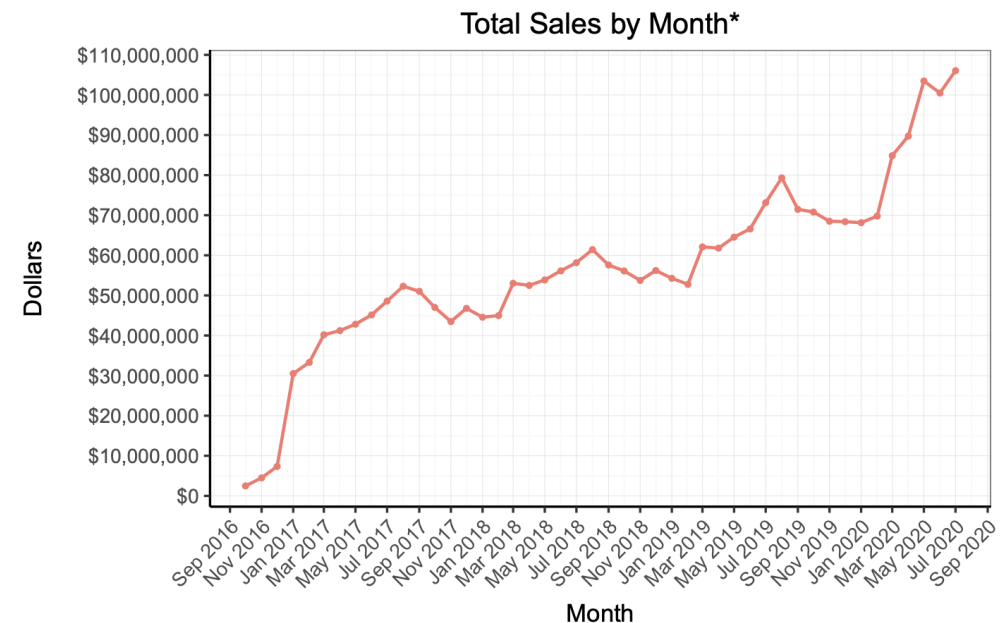


**Capacity for 3,400 lbs. of flower and 3,000+ liters of distillate production**

# OREGON MARKET OVERVIEW

**Oregon is a stable recreational cannabis market that has seen strong pricing due to increasing demand and a moratorium on license issuances**

- Became legal for medical use in 1998 and recreational use in 2014 (fully implemented in 2016)
- Oregon has a population of 4.19 million, and at least 19% of adults report having used cannabis in the past month
- After an oversupply of low-quality outdoor flower led to price declines in 2017 & 2018, prices have rebounded dramatically
  - There is a moratorium on new licenses until 2022
  - In 2019 wholesale prices more than doubled over 2018
  - Prices further increased in 2020 as retailers continue to have some difficulty in sourcing high-quality flower
- Sales in 2019 grew 24% to ~\$795 million, and sales have accelerated in 2020 and are now expected to be over \$1.1 billion for the year



\*Source: Marijuana Moment

# POTENTIAL GROWTH OPPORTUNITIES

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## Significant growth opportunities throughout Canada and the U.S. which should drive strong returns on capital

- Management believes the opportunity exists to open 75+ Star Buds stores in Canada over the next 3 years
- Ontario, CN - province allows for a maximum of **75 dispensaries** to be opened by a single company
- Manitoba, CN - province allows for ownership of **6 dispensaries** in the province by a single company
- Alberta, CN - province allows for ownership of up to **64 dispensaries** in the province by a single company
- British Columbia, CN - province allows for ownership of up to **8 dispensaries** in the province by a single company
- U.S. - Cordova is in discussions with Star Buds US to potentially open retail stores in Oregon and other states
- U.S. - Cordova in discussions with potential cultivation and manufacturing acquisition targets on the west coast
- Distressed opportunities - recent market downturn should create additional opportunistic acquisition targets for the Company, along all segments of the value chain (cultivation, manufacturing, retail), in all geographies