



liberty health sciences

Presented by:

GEORGE SCORSIS

CEO



CSE: LHS

|

OTCBB: LHSIF

Who We Are



Liberty is one of twelve licensed producers and sellers of medical cannabis in Florida.

Liberty prioritizes investment in states that meet the following criteria:



**MEDICAL
STATES**



**HIGHLY
REGULATED**



**NO CANOPY
RESTRICTIONS**



2% STATES

Who We Are

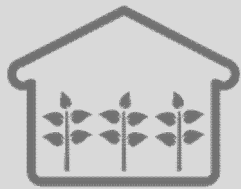
OUR EXPERTISE:

- ✓ Industry leading greenhouse operators
- ✓ Thorough knowledge of regulated industries
- ✓ Strong management team

OUR COMMITMENT:

- ✓ To become the low-cost producer, utilizing Aphria's innovative greenhouse methods and technology
 - ✓ To produce pharmaceutical grade cannabis of the highest standard
 - ✓ To continuously improve and innovate our offerings with our science-based approach
-
-

At A Glance



GROWING OPERATIONS

Alachua County, FL:
• 6 acres
• 6,000 sq. ft. (2018)

Ohio:
• 36 acres
• 25,000 sq ft



Our Team

MANAGEMENT:



George Scorsis
CEO & Director

- Å 20+ Years in CPG working with regulated products
- Å Former President of Mettrum Health Corp building it to a \$430M business
- Å Former President of Red Bull Canada
- Å Former Executive Leader at Bacardi Canada



Rene Gulliver
CFO

- Å 30+ years of senior financial management experience with public company CFO experience
- Å CPA, CA certified
- Å Capital markets experience, raising in excess of \$500M over the years
- Å Extensive international M&A experience

BOARD:

Vic Neufeld
CEO, Aphria

- Å 20+ Years in Pharma
- Å Former CEO of Jamieson Laboratories (1993 - 2014)
- Å Demonstrated vision, growth & performance

John Cervini

Co-Founder & VP
Infrastructure & Technology,
Aphria

- Å 20+ Years in Agri-business
- Å Fourth generation greenhouse grower
- Å Proven growth & expansion track record

Aaron Serruya
CEO, YogenFrüz

- Å Leader in franchises, co-founder and CEO of YogenFrüz
- Å Winner of numerous awards for business excellence
- Å Will lead the dispensary expansion initiative in Florida and other states where investments are made

Future of Legal Cannabis

US MEDICAL MARKET POTENTIAL BY 2020

Base Market

$$\begin{array}{ccccccc} \text{Icon: 3 people} & \times & \text{Icon: 1 person} & \times & \text{Icon: Dollar sign} & = & \$7.3\text{B} \\ \text{Population of} & & \text{Annual Consumption} & & \text{Price per Gram} & & \\ \text{Adult Consumers} & & \text{Volume in Grams per} & & \text{of Marijuana} & & \\ & & \text{Consumer} & & & & \text{Base Retail Market} \\ & & & & & & \text{Value} \end{array}$$

Ancillary Market

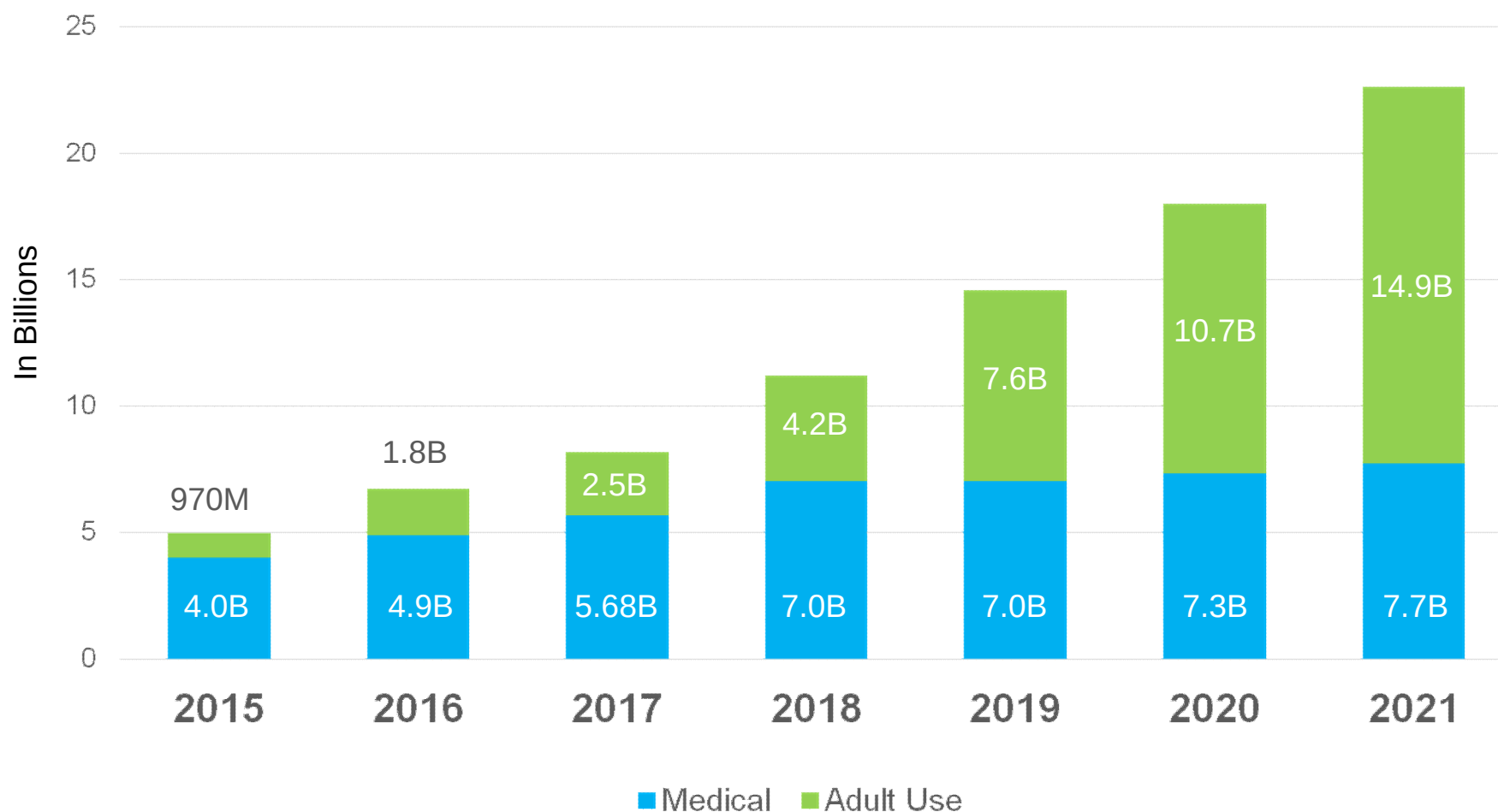
$$\begin{array}{ccccccc} \text{Icon: Leaf} & + & \text{Icon: Factory} & + & \text{Icon: Flask} & + & \text{Icon: Padlock} & = & \$18.9\text{B} \\ \text{Growers} & & \text{Infused Product} & & \text{Testing Labs} & & \text{Security} & & \\ & & \text{Makers} & & & & & & \text{With Ancillary} \\ & & & & & & & & \text{Multiplier} \end{array}$$

Potential Upside

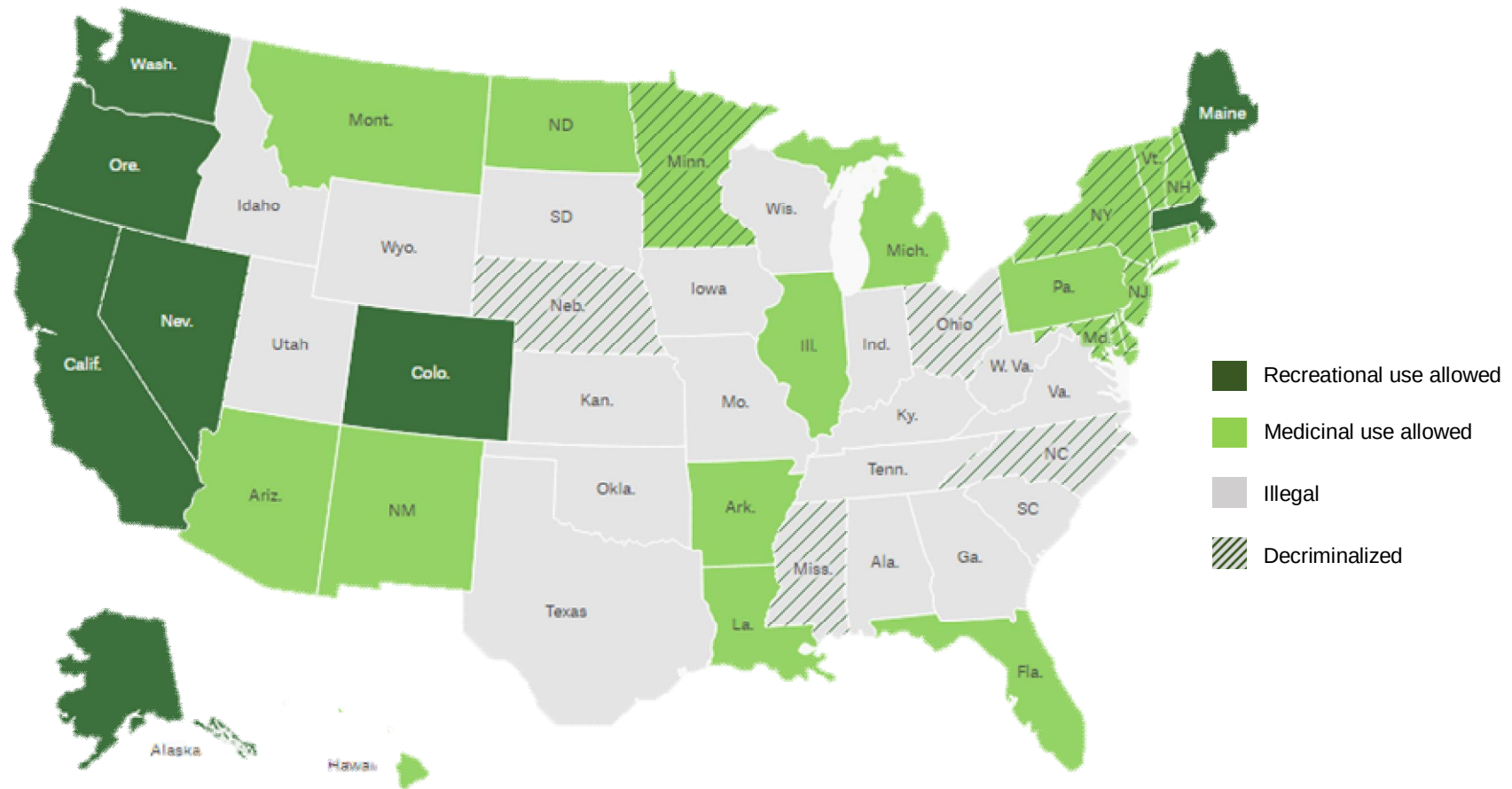
$$\begin{array}{ccccccc} \text{Icon: Plane} & + & \text{Icon: Calculator} & + & \text{Icon: Briefcase} & + & \text{Icon: Shopping cart} & & > \$18.9\text{B} \\ \text{Tourism Revenue} & & \text{Business Taxes} & & \text{License Fees} & & \text{Paraphernalia} & & \text{Total Market Size Potential} \end{array}$$

Future of Legal Cannabis

NORTH AMERICAN LEGAL CANNABIS SPENDING 2015-2021

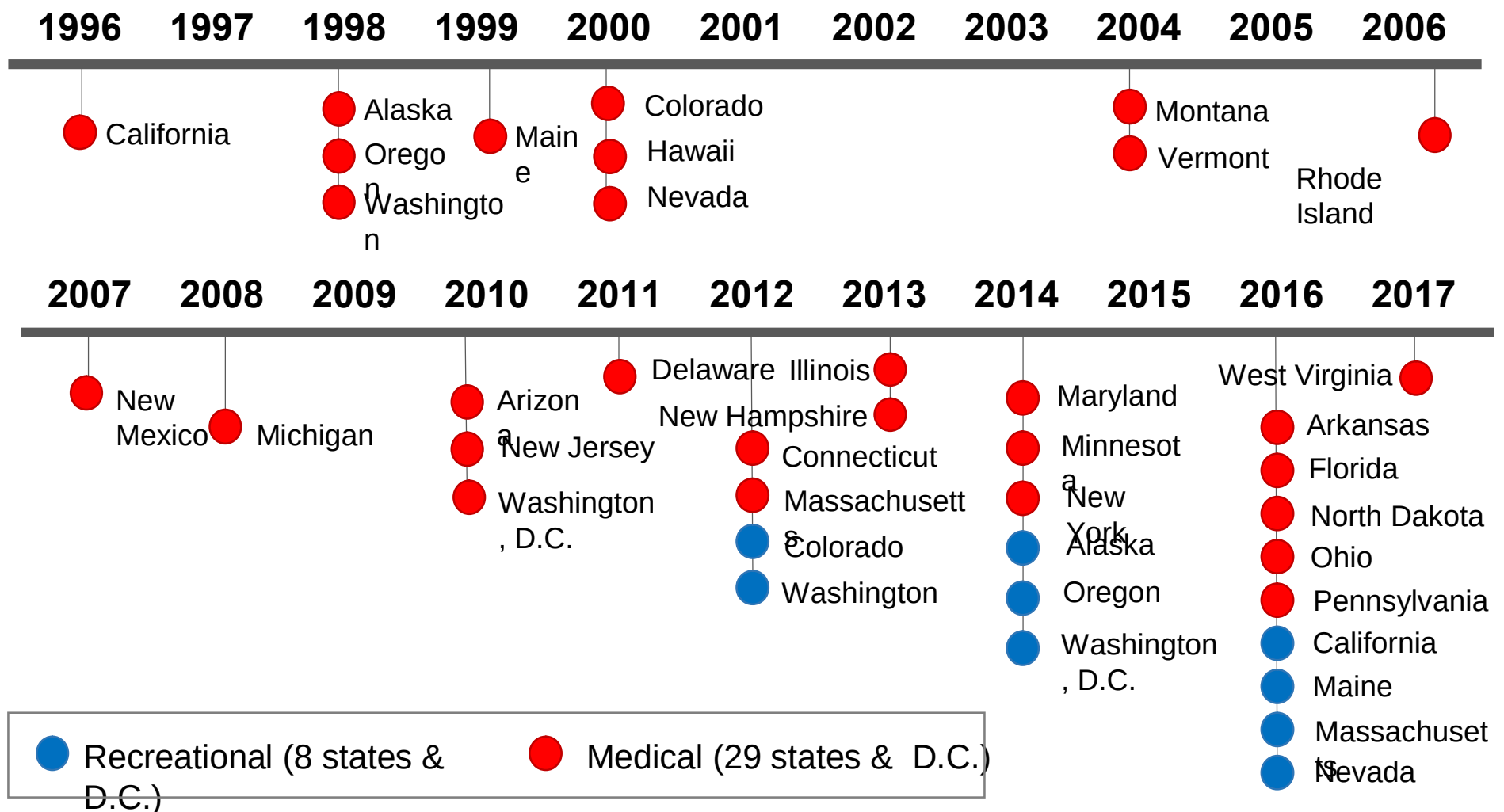


US Adoption of Legal Cannabis



Regulatory Framework

TIMELINE OF STATE MARIJUANA LAWS



Regulatory Framework

Federal US law states that cannabis is a Schedule I drug (having a high potential for abuse and has no accepted medical use in treatment) which is **at odds with the laws that have been passed in 29 states** authorizing a medical use.

60% of the US population reside where **medical** cannabis is legal

20% of Americans now live where **adult-use** cannabis is legal

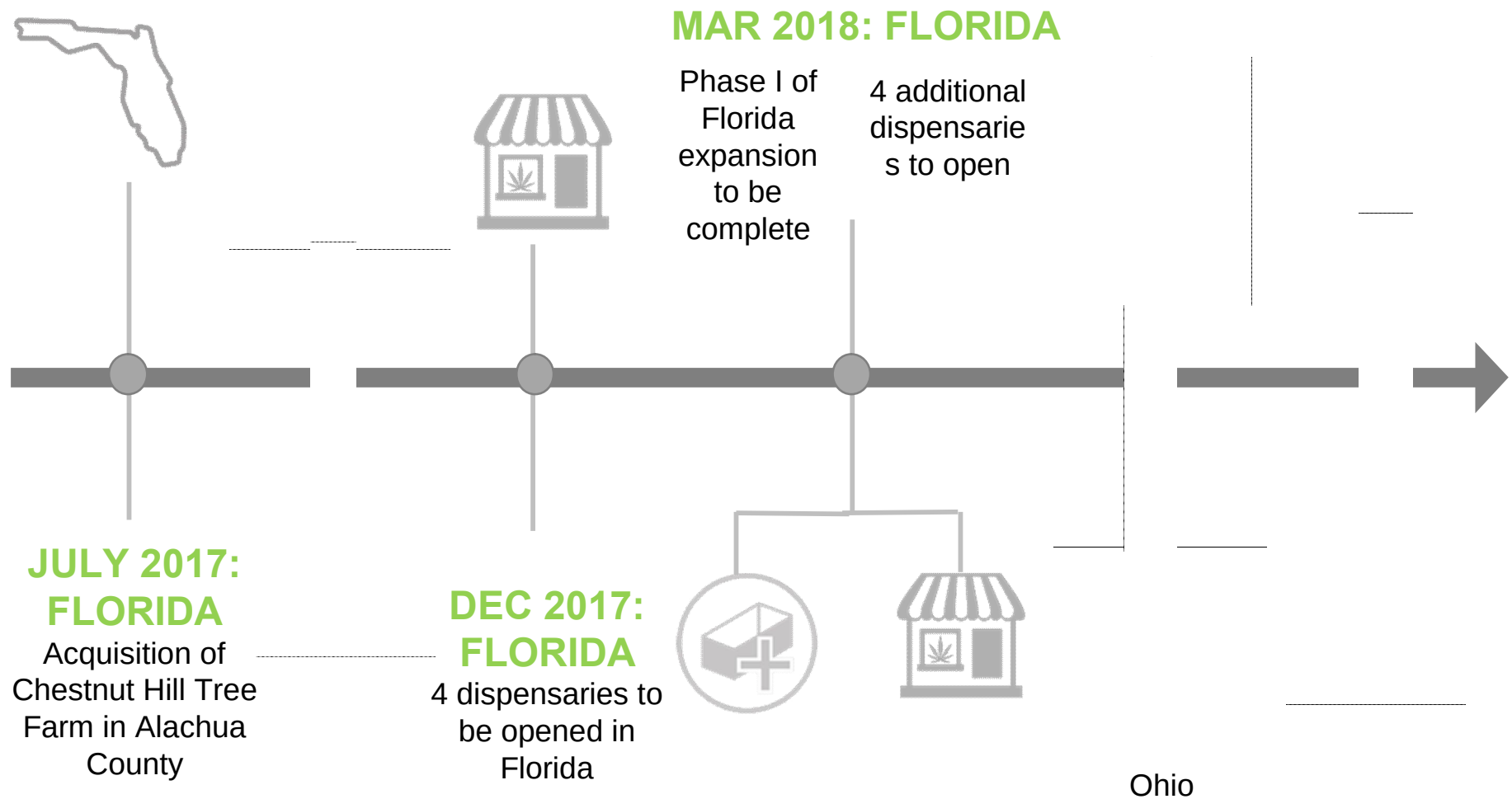
93%

of Americans support legalizing doctor-prescribed medical marijuana according to a recent poll

Regulatory Framework

- Å **Leahy Appropriations Amendment:** Amendment that will continue to prevent the use of federal funds to prosecute medical cannabis providers in approved States. Amendment will be finalized Dec. 8, 2017.
- Å **MEDS ACT:** Encourage more research on the potential medical uses of marijuana by streamlining the research registration process
- Å **Compassionate Access Act:** provide for the rescheduling of cannabis, the medical use of cannabis in accordance with State law, and the exclusion of cannabidiol from the definition of cannabis on schedule 1, and for other purposes.
- Å **Small Business Tax Equity Act of 2017:** This Act will would allow state-legal cannabis businesses to take normal business deductions like any other legal business. Known as 280E, the tax code provision prevents cannabis businesses from taking normal business deductions related to sales
- Å **Veterans Equal Access Act:** This Act would allow physicians and medical workers at the U.S. Department of Veterans Affairs to recommend medical cannabis for military veterans.

Timeline



Florida Market

OVERVIEW

Population: 20,600,000

Market: \$1.6bn by 2020

Qualifying Patients: 6,065,927 (30%)

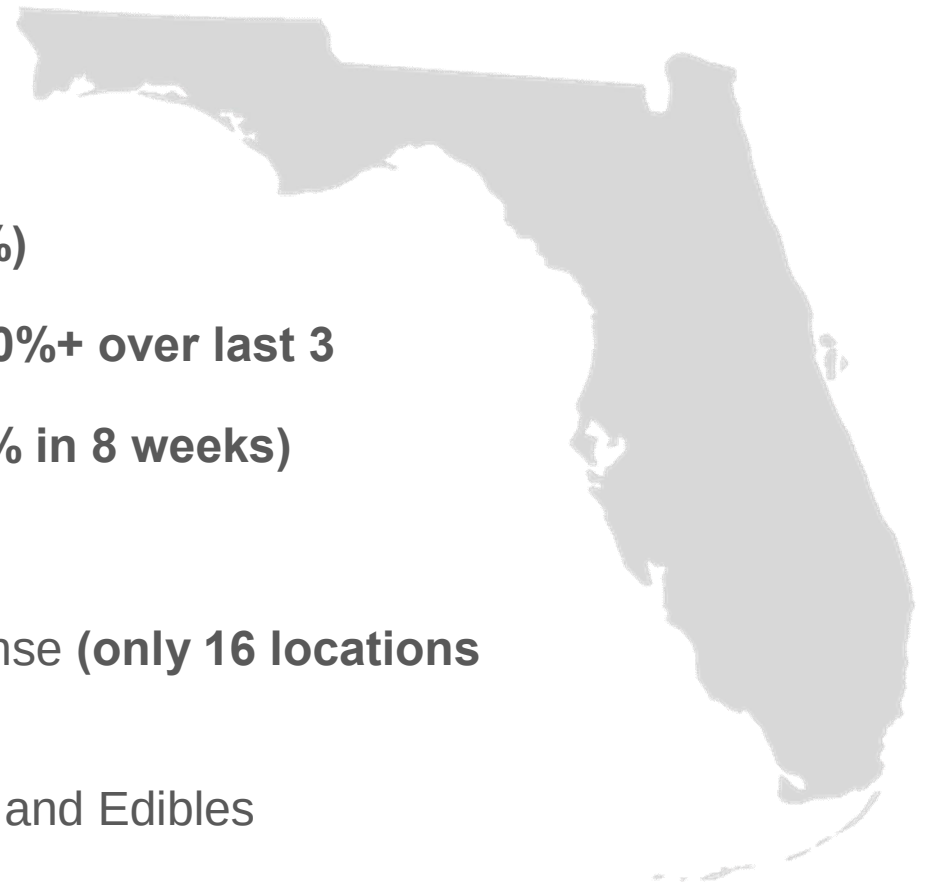
Registered Patients: 36,400 (up 200%+ over last 3 mos.)

Ordering Physicians: 1,043 (up 27% in 8 weeks)

No. of Licenses: 12

Dispensaries: 25 dispensaries / license (only 16 locations currently statewide)

Legal Product Scope: Cannabis Oil and Edibles



(1) The State of Legal Marijuana Markets, 5th Ed, published by Arcview Market Research in partnership with BDS Analytics, *Potential Rec Market in 2021

(2) <https://mjbizdaily.com/florida-lawmakers-reach-agreement-medical-marijuana-rules/>; <https://www.greenroadsworld.com/pages/cbd-oil-in-florida>

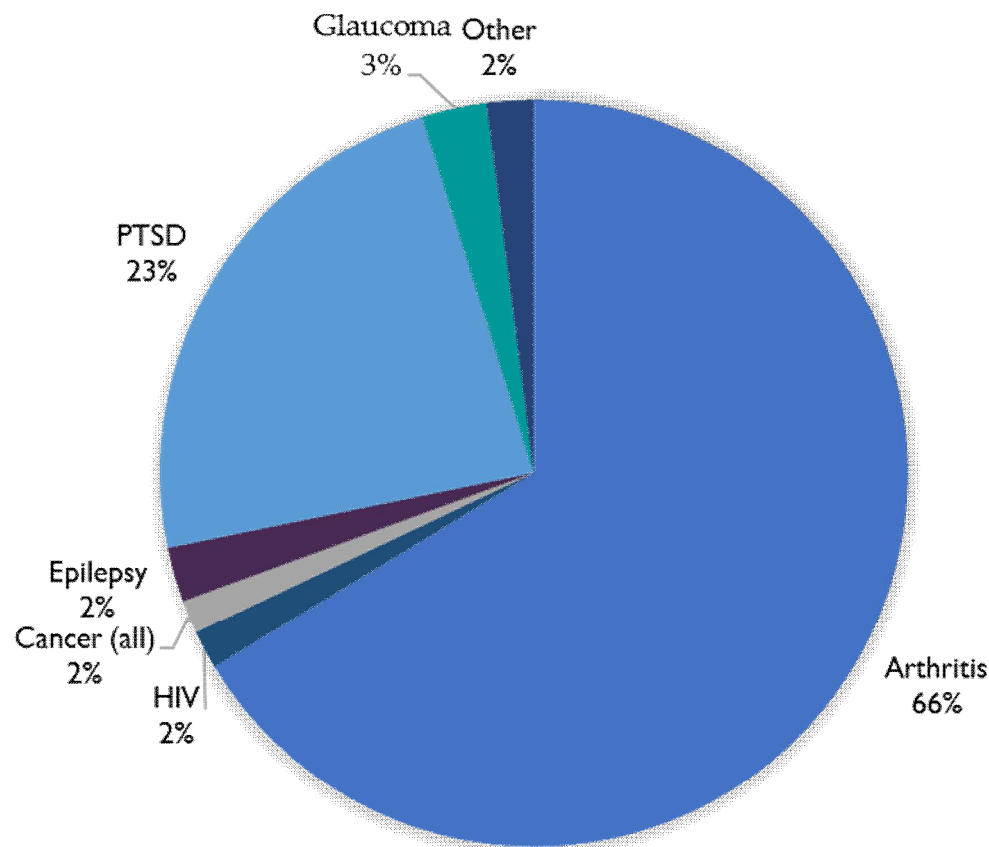
(3) CDC, Arthritis Foundation, Aidsview, Hepview, Prevent Blindness America, American Academy of Neurology, National Centre for PTSD

(4) There are 12 licenses currently issued.

(5) There are 26 other conditions outlined in the Florida MMJ regulations

Florida Market

DIVERSE PATIENT BASE



Canada has approximately 800k people per license in comparison to Florida which has **1.7 MM people per license.**

By 2020, Florida is projected to have a **larger medical marijuana market than Colorado (\$1.6bn vs. \$1.5bn)**

(1) The State of Legal Marijuana Markets, 5th Ed, published by Arcview Market Research in partnership with BDS Analytics, *Potential Rec Market in 2021
(2) <https://mjbizdaily.com/florida-lawmakers-reach-agreement-medical-marijuana-rules/>; <https://www.greenroadsworld.com/pages/cbd-oil-in-florida>
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Future Plans for Florida

Liberty's growth in Florida will come through our expansion in three critical areas:



Capacity



Dispensaries



Patient Count

Capacity



Leveraging two-pronged sales strategy

Unique cost structure enables Liberty Health Sciences to capitalize on wholesale advantages.

RETAIL

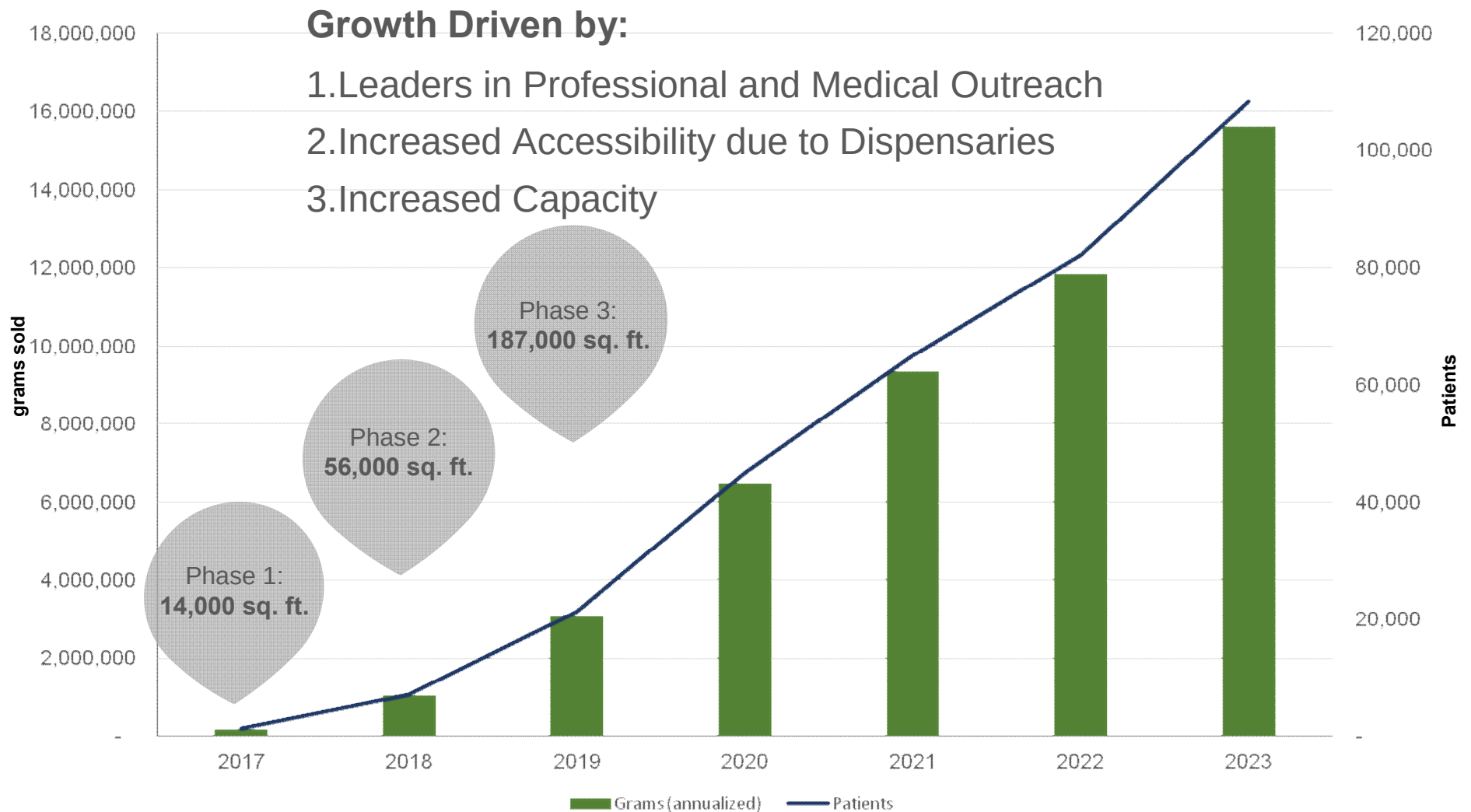
- Completely vertical market with up to 25 dispensaries being opened
- Increasing patient sales
- Highly profitable (~ 70% margin with 30% costs below the line)

WHOLESALE

- Sale of bulk product to other Licensed Producers
- ~70-75% margin



Patient Count



Dispensaries

Geographic Target Criteria:

- ✓ General Population
- ✓ Number of Prescribing Doctors
- ✓ Number of Adult Lifestyle Communities
- ✓ Veteran Population

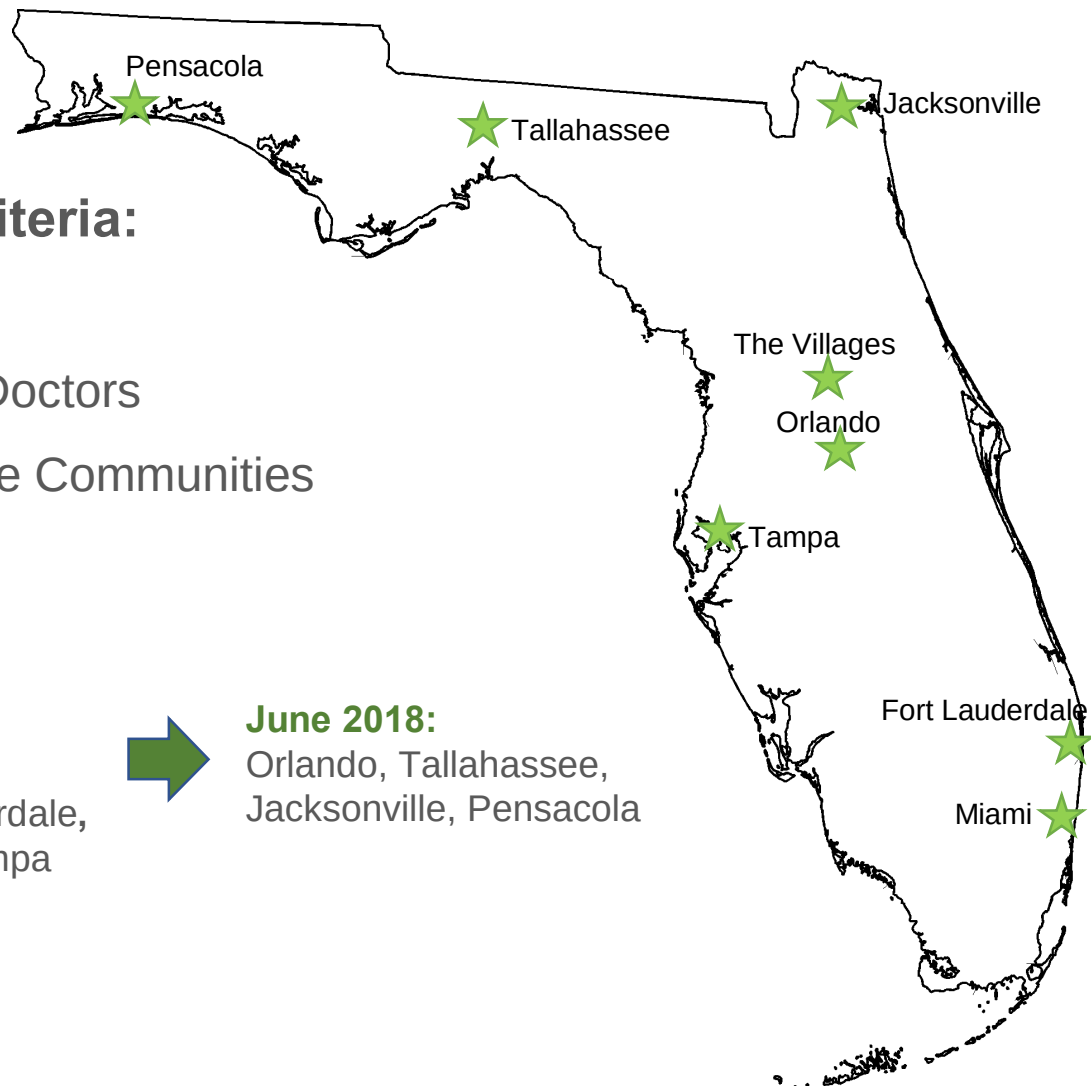
October 2017:
Villages



December 2017:
Fort Lauderdale,
Miami, Tampa



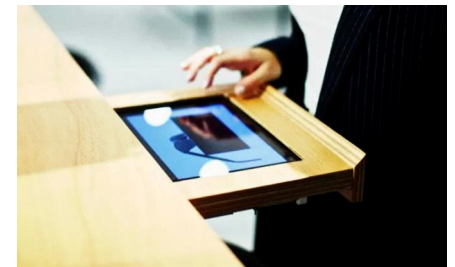
June 2018:
Orlando, Tallahassee,
Jacksonville, Pensacola



Dispensaries



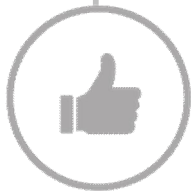
CEC



Timeline

OCT 2017:
OHIO

Approval of
Ohio License
Application



SEPT
2018:
OHIO

Product ready
to be sold in
Ohio

FEB 2019:
OHIO

Phase II of
Florida
expansion to
be complete



Ohio

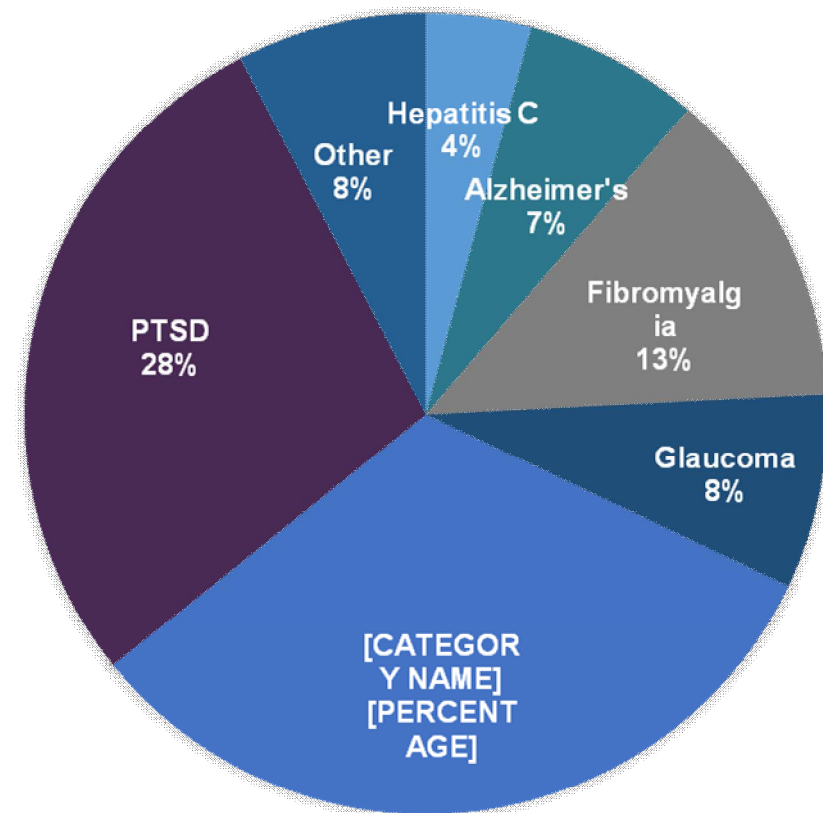
THE MARKET

Population: 11,600,000

Licenses: 24 cultivators - 12 level 1 (large producers), 12 level 2 (craft producers), 40 processors, 40 dispensaries

Estimated current users: 870,000 (7.5%) (number includes recreational users)

People with qualifying conditions: 2,804,359 (24%)



Ohio

Liberty Health Sciences has partnered with the prominent Schottenstein Family on this application (51%)

The Schottenstein family has been prominent in Ohio for decades and have long led some of America's largest fashion retailers:



SPG Group is recognized as one of the largest privately held portfolios of premier retail properties in the country with holdings in more than 156 properties across 27 states.



In Conclusion

FLORIDA

Population: 20,600,000

Qualifying Patients:
6,065,985 (30%)

No. of Licenses: 12

OHIO

Population:
11,600,000

Qualifying Patients:
2,804,359 (24%)

No. of Licenses: 12

TOTAL MARKET SIZE

Population: 32,200,000

Qualifying Patients: 8,870,344

A photograph of a greenhouse interior. In the foreground, there are rows of green plants with serrated leaves, likely cannabis. The background shows a complex metal structure with pipes, wires, and hanging lights, typical of a controlled environment for plant growth. The text "THANK YOU" is overlaid in the center.

THANK YOU