
CANNABIS STRATEGIES
ACQUISITION CORP.

NEO: CSA.A, CSA.WT, CSA.RT; OTC: CBAQF

MARCH 2019

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Forward-looking statements are based on the opinions and estimates of management of CSA, the Sponsor or their respective affiliates, as the case may be, as of the date such statements are made, and they are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements of the Company, the Sponsor or their respective affiliates, as the case may be, to be materially different from those expressed or implied by such forward-looking statements. Although management of the Company, the Sponsor or their respective affiliates, as the case may be, believe the assumptions and analysis underlying such statements are reasonable as of the date hereof, you are cautioned not to place undue reliance on these statements.

Although management of CSA, the Sponsor and their respective affiliates have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. CSA, the Sponsor and their respective affiliates do not undertake to update any forward-looking statements that are contained herein, except as required by applicable securities laws. See "Risk Factors" in the final prospectus for a description of the risk factors faced by CSA.

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Definition and Reconciliation of Non-GAAP Measures

The Target Businesses report certain non-International Financial Reporting Standards ("IFRS") measures that are used to evaluate the performance of such businesses and the performance of their respective segments, as well as to manage their capital structure. As non-IFRS measures generally do not have a standardized meaning, they may not be comparable to similar measures presented by other issuers. Securities regulators require such measures to be clearly defined and reconciled with their most directly comparable IFRS measure.

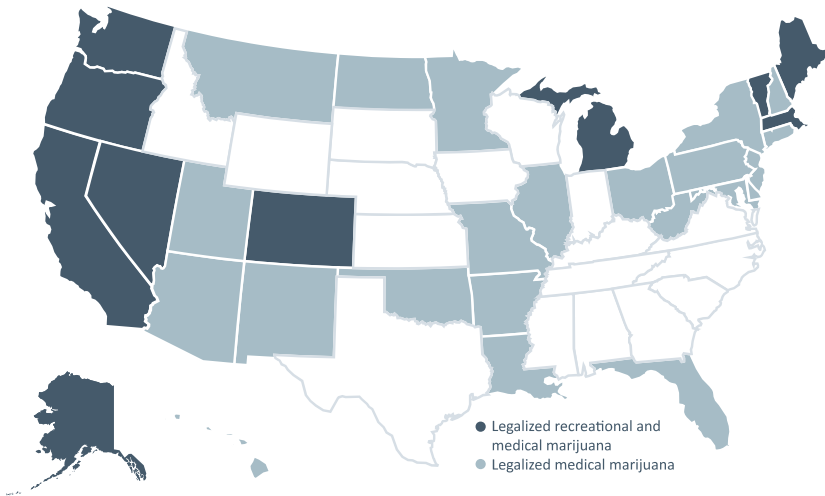
Adjusted EBITDA

Adjusted EBITDA represents income (loss) from operations, as reported, before interest, tax, and adjusted to exclude extraordinary items, non-recurring items, other non-cash items, including stock based compensation expense, depreciation, and the non-cash effects of accounting for biological assets and inventories, and further adjusted to remove acquisition related costs.

Please see the Appendix for an illustration of CSA's calculation of Adjusted EBITDA and reconciliation to IFRS figures.

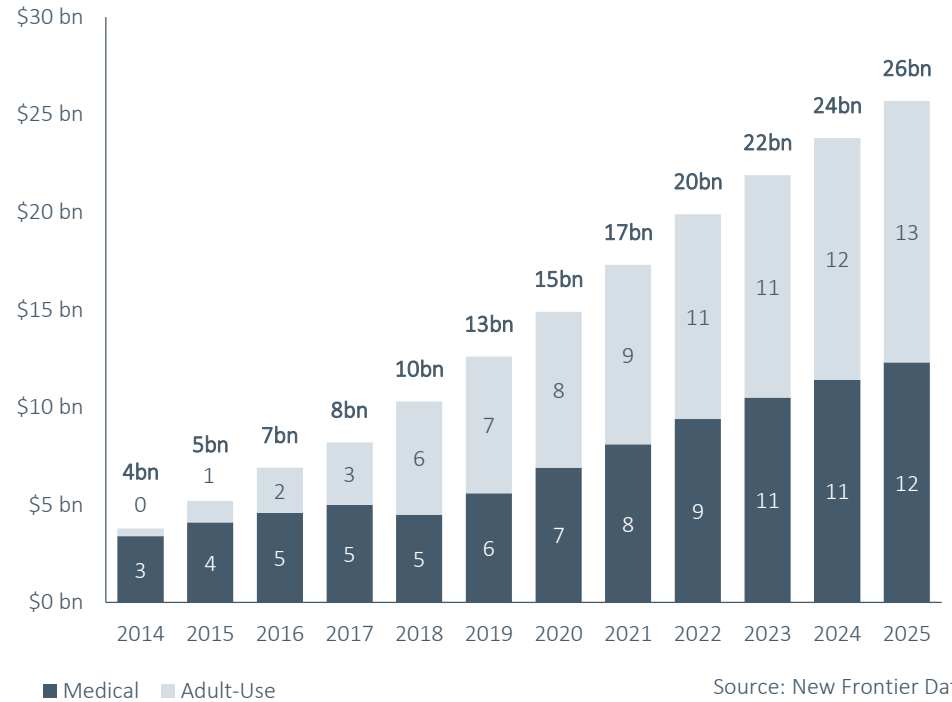
Overview of US Cannabis Space

States Where Marijuana Is Legal



Source: Skye Gould / Business Insider

U.S. Total Legal Cannabis Demand Projections (2014-2025, US\$)



<p>33 States¹ have approved for medical use of cannabis products</p>	<p>74% of Millennials believe marijuana should be legalized; Americans (62%), Gen X (63%) and Baby Boom (54%)</p>	<p>25% of Americans live in states with legal recreational use</p>
<p>10 States (and Washington DC) have approved adult recreational use of cannabis products</p>	<p>68% of Americans live in a state where medical use of cannabis is legal</p>	<p>200% Projected demand growth for medical and adult use cannabis projected from 2018 to 2025</p>

Source: <http://www.pewresearch.org/fact-tank/2018/10/08/americans-support-marijuana-legalization/>
<http://worldpopulationreview.com/states/>

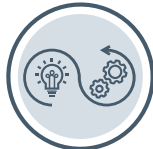
(1) Including Washington, D.C.

CSA Investment Highlights



Financial Strength

- Multi-state operator portfolio generated C\$30m of 2018E Adjusted EBITDA¹
- CSA trades at significant peer discount despite industry-leading 2018 Revenue and Adjusted EBITDA¹, strong 2019E growth, and, following closing, being one of the few cannabis companies to internally generate capital that can be used for investments and strategic M&A
- Historical CSA financial results are based on multiple years of audited financial statements at each of 5 target companies



Execution

- Focus on execution and disciplined growth – “cluster and penetrate” in core geographies
- Buy best-in-class businesses creatively, at the right price
- Generate organic growth through business improvement / implementing best practices of seasoned operators



Branding

- We believe cannabis is a highly regulated brand business – strong brands are core to our success
- Disciplined approach to creating strong regional clusters implies strong regional brands
- CSA corporate rebranding is a key element of post-closing corporate positioning



Talent

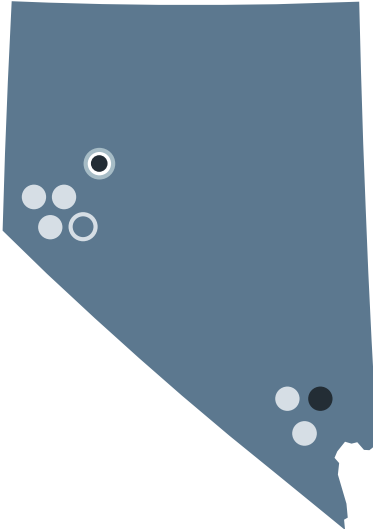
- Talent is a scarce commodity in cannabis and CSA has superior talent in areas essential for success
- Financial Management: Superior financial management and strategy in CEO and COO
- Operations: Acquired best-in-class cannabis operating talent with Anchor targets, and intends to continue with future acquisitions

Source: Company estimates
Note: Assumes exchange rate of 0.745. Estimates are based on the low-end of ranges disclosed in the final prospectus.
(1) Please see page 2 for the definition of Adjusted EBITDA

Anchor Portfolio in Western and Eastern US

Western Anchor: Nevada

2019E: Revenue: C\$120m, Adjusted EBITDA¹: C\$51m



5
Recreational
Dispensaries

2
Cultivation
Facilities

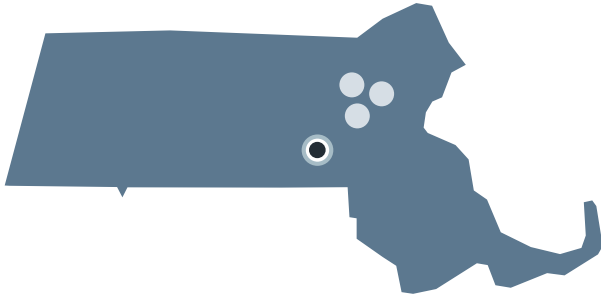
- One facility in production with 11,500 square feet under canopy
- One facility online in Q3 2019 with 20,000 square feet under canopy

2
Extraction &
Production Facilities

- Two extraction facilities outfitted for full line of extracted products (rosins, waxes, oil extracts, etc.)
- Two production kitchens outfitted for full line of infused products (chocolates, gummies, beverages, etc.)

Eastern Anchor: Massachusetts

2019E: Revenue: C\$100m, Adjusted EBITDA¹: C\$60m



● Dispensary ● Production ○ Cultivation ● Cultivation / Production

3
Medical
Dispensaries
(Recreational
in 2019)

3
Licensed Cultivation
Facilities (100,000
square foot capacity)

- One facility in production with 13,000 square feet under canopy
- One facility online in Q3 2019 with 20,000 square feet under canopy
- One facility online in Q1 2020 with 70,000 square feet under canopy

1
Extraction &
Production Facility

- Extraction system in place outfitted for full line of extracted products
- Two production kitchens outfitted for medical line of infused products (full line in Q1 2019)

Source: CSA and Target Company estimates
 Note: Assumes CAD/USD exchange rate of 0.745. Estimates are based on the low-end of ranges disclosed in the final prospectus.
 (1) Please see page 2 for the definition of Adjusted EBITDA

Anchor Brand Portfolio



Summary Capital Usage

- Acquisition of 5 businesses for total transaction value of C\$300.5m – C\$92.5m cash, C\$145.4m in stock (7.6m CSA shares), and C\$62.6m of promissory notes
- Each seller took a combination of cash, stock and vendor financing
- >35% of the consideration is being paid in shares, aligning incentives for all stakeholders

Total Consideration (in millions, C\$)

Cash Consideration	92.5
Value of shares issued to vendors	145.4
Debt issued to vendors	62.6
<i>Total purchase price</i>	<i>300.5</i>

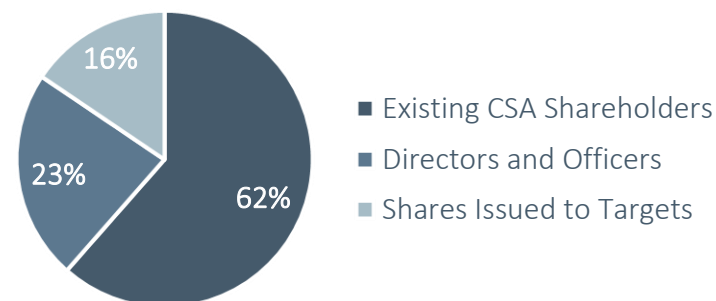
Pro Forma Capital Structure (in millions, C\$)

Cash on hand post transaction ¹	37.2
Debt outstanding	62.6
Equity capital structure (shares, millions)	
<i>Total Fully Diluted Share Count (Treasury Stock Method)^{2,3}</i>	<i>32.7</i>

Key Deal Metrics (in millions, C\$)

	2018E	2019E
Pro-forma revenue	95	240
<i>Purchase price / Pro-forma revenue</i>	<i>3.2x</i>	<i>1.3x</i>
Pro-forma Adjusted EBITDA ⁴	30	130
<i>Purchase price / Pro-forma Adjusted EBITDA⁴</i>	<i>10.0x</i>	<i>2.3x</i>

Pro-Forma Ownership^{3,4}



Source: CSA and Target Company estimates

Note: Assumes share price of C\$19.09, CAD/USD exchange rate of 0.745, and no redemptions. Estimates are based on the low-end of ranges disclosed in the final prospectus.

(1) Based on restricted cash & short-term investments at 9/30/2018 of C\$135.7m minus aggregate cash consideration of C\$92.5m and estimated transaction costs of C\$6.0m

(2) Includes 17.2m CSA shares outstanding, 7.6m shares issued to vendors, 16.4m warrants outstanding (C\$11.50 strike), and 1.4m shares represented by rights outstanding assuming a C\$19.09 stock price

(3) Net dilution calculated from 42.5m fully diluted shares reduced by 9.9m shares per the Treasury Stock Method

(4) Please see page 2 for the definition of Adjusted EBITDA

Anchor Portfolio Overview

Target Name	Key Assets	Description
	<ul style="list-style-type: none"> • 1 Cultivation / Production Facility • 3 Dispensaries 	<ul style="list-style-type: none"> • Producer and seller of medical cannabis products in Massachusetts • Licensed to operate as a Registered Medical Dispensary, allowing the company to possess, cultivate, process, dispense and sell medical and adult-use cannabis • Products include cannabis and cannabis products, including oil, edibles, and vaporizers
	<ul style="list-style-type: none"> • 1 Cultivation / Production Facility 	<ul style="list-style-type: none"> • Cultivator, producer, and distributor of cannabis in Nevada, specializing in premium products • Licensed to possess, cultivate, process, and dispense and sell medical and adult-use cannabis • Products include cannabis and cannabis oil, derived from over 30 different strains of cannabis
<h2>Canopy NV</h2>	<ul style="list-style-type: none"> • 2 Dispensaries 	<ul style="list-style-type: none"> • Two dispensaries in the city of Reno, Nevada • The first dispensary (downtown Reno) opened for medical sales in Q1 2017, with adult use recreational sales following in Q3 2017 • Adult use recreational sales for the North Valleys location began in Q3 2018 • Licensed to sell both medical and adult-use cannabis
 <p>LivFree Wellness</p>	<ul style="list-style-type: none"> • 3 Dispensaries • Licenses: 2 Production and 2 Cultivation Facilities 	<ul style="list-style-type: none"> • Operates three dispensaries in the state of Nevada • Separately licensed to operate additional facilities (two production facilities and two cultivation facilities) • Dispensaries opened throughout 2016 and 2017
 <p>CannaPunch NV</p>	<ul style="list-style-type: none"> • Multiple brands and Licences 	<ul style="list-style-type: none"> • Manufacturer and distributor of cannabis-infused products in Nevada • CSA purchase entitles CSA the rights to CannaPunch brands across the U.S. outside of Colorado • Key brands include CannaPunch (beverages), Highly Edible (gummies), Dutch Girl (edible), Nordic Goddess (topical salve), and Tumbleweed (oil and other extracts) • CannaPunch has licensed manufacturing operations for cannabis products in Nevada

Group Financial Overview

Anchor Portfolio

- Acquiring 5 businesses with positive 2018 Adjusted EBITDA¹ resulting in vertically integrated operations in Massachusetts and Nevada to serve as anchors for future expansion in the Western and Eastern US
- All Anchor businesses produced multiple years of audited financials, indicating quality of processes and controls
- Targeted 2018 Revenue and Adjusted EBITDA¹ of C\$95-105m and C\$30-35m
- Targeted 2019 Revenue and Adjusted EBITDA¹ of C\$240-260m and C\$130-140m

Selected 2018 – 2019 Targeted Consolidated Financials (in millions, C\$)

	Target Revenue		Target Adjusted EBITDA ¹	
	2018	2019	2018	2019
Washoe (NV)	10 – 15	30 – 40	5 – 6	15 – 20
LivFree (NV)	40 – 45	50 – 60	10 – 13	20 – 30
Canopy (NV)	15 – 20	20 – 25	5 – 6	6 – 10
Sira (MA)	15 – 20	100 – 120	4 – 5	60 – 70
CannaPunch (NV)	7 – 10	20 – 25	4 – 5	10 – 15
Estimated Pro Forma Target Portfolio Combined	95 – 105	240 – 260	30 – 35	130 – 140

Note: Assumes CAD/USD exchange rate of 0.7450

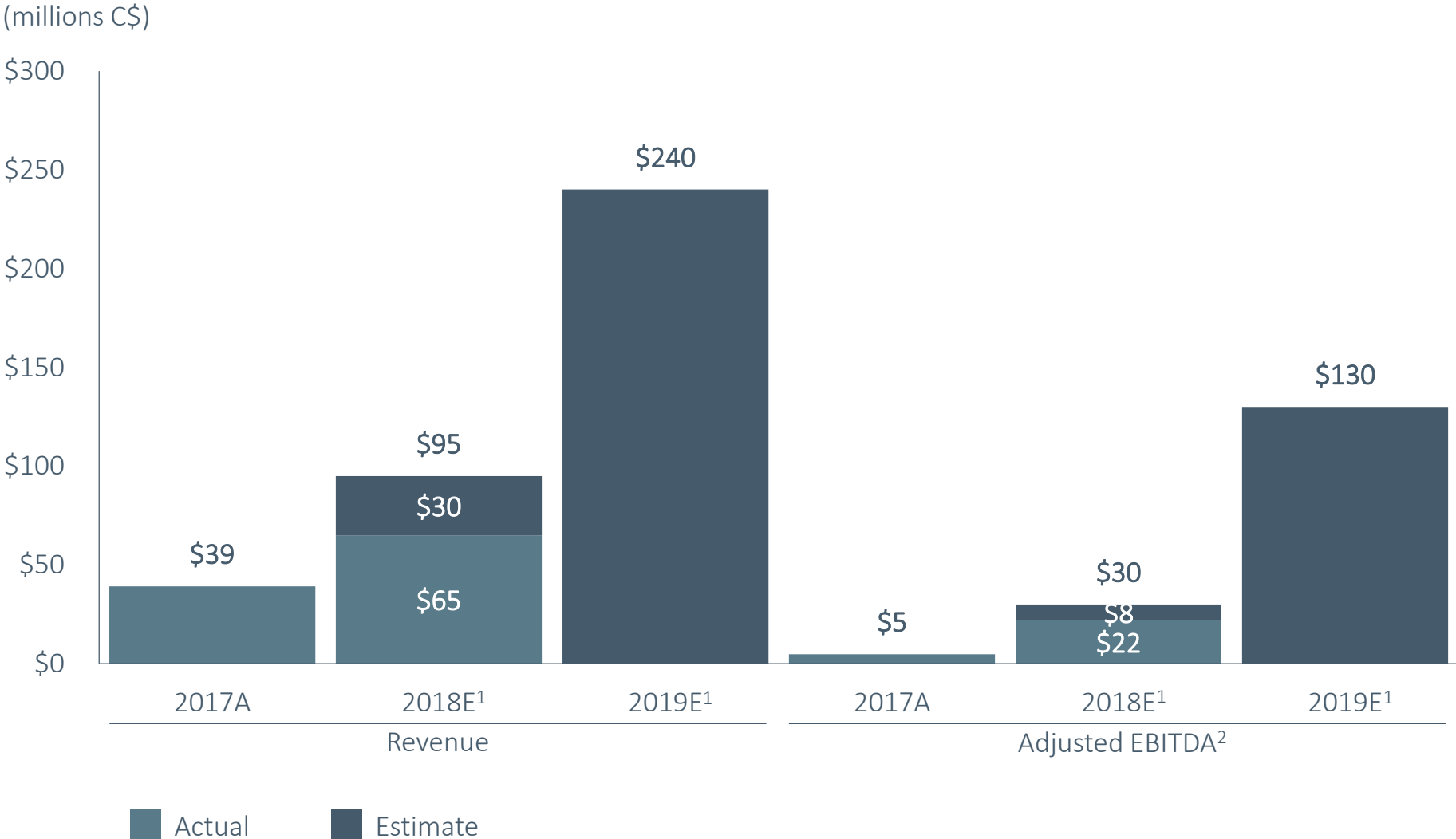
Source: CSA and Target Company estimates

(1) Please see page 2 for the definition of Adjusted EBITDA

(2) With respect to LivFree, CSA has received exemptive relief from the requirement to provide audited financials for 2016—the 2016 data was lost due to the industry-wide issue involving a cannabis technology service provider in 2016, whereby the technology service provider suffered a complete data loss. Please see CSA's prospectus for additional information

Strong Trends In Anchor Portfolio Financial Performance

CSA's Anchor Portfolio of two states produced among the highest 2018 Revenue and Adjusted EBITDA in the U.S. cannabis space



Source: CSA and Target Company estimates
 Note: Assumes CAD/USD exchange rate of 0.745. Estimates are based on the low-end of ranges disclosed in the final prospectus.
 (1) Actual results through 9/30/2018; estimated results for Q4 2018 and 2019 based on the low-end of ranges disclosed in the final prospectus.
 (2) Please see page 2 for the definition of Adjusted EBITDA

Peer Trading Statistics

At the peer TEV¹ / 2019E EBITDA multiple CSA shares would be trading at ~C\$97.25², a ~410% premium to current levels

Trading Comps: CSE-Listed US Operators

(C\$ millions, except per share amounts)

Company	Stock Price	Mkt. Cap.	TEV ¹	CY19 Estimates		CY19E TEV Multiple		EBITDA Margin
				Revenue	EBITDA	Revenue	EBITDA	CY19E
Curaleaf	\$9.15	\$4,411	\$4,067	\$464	\$166	8.8x	24.6x	36%
Harvest	\$10.45	\$4,060	\$3,894	\$295	\$77	13.2x	50.5x	26%
GTI	\$18.01	\$3,320	\$3,298	\$305	\$63	10.8x	52.4x	21%
Cresco Labs	\$12.13	\$3,500	\$3,297	\$380	\$123	8.7x	26.9x	32%
MedMen	\$3.73	\$2,466	\$2,511	\$429	neg	5.9x	neg	neg
Acreage	\$22.72	\$2,665	\$2,262	\$331	\$74	6.8x	30.6x	22%
iAnthus	\$7.02	\$1,787	\$1,767	\$229	\$50	7.7x	35.4x	22%
Truelieve	\$16.18	\$1,782	\$1,762	\$290	\$128	6.1x	13.8x	44%
CSA²	\$19.09	\$624	\$649	\$240	\$130⁴	2.7x	5.0x	54%
CSA at Peer EBITDA Mult^{2,3}	~\$97.25	\$3,951	\$3,976	\$240	\$130⁴	16.6x	30.6x	54%
Peer Mean (ex-CSA)		\$2,999	\$2,857	\$340	\$97	8.5x	33.5x	29%
Peer Median (ex-CSA)		\$2,993	\$2,904	\$318	\$77	8.2x	30.6x	26%

Note: Based on most recent company filings adjusted for subsequent events. Assumes CAD/USD exchange rate of 0.745. Estimates are based on the low-end of ranges disclosed in the final prospectus.

Source: Company Filings, Capital IQ, Public Disclosure, all as at 3/14/2019

(1) Total Enterprise Value

(2) Based on pro forma fully diluted share count, cash, and debt. See slide 7 for further details

(3) Assumes CSA trades at median 2019E TEV/EBITDA multiple of peers. Fully diluted share count of ~40.6 million using the Treasury Stock Method

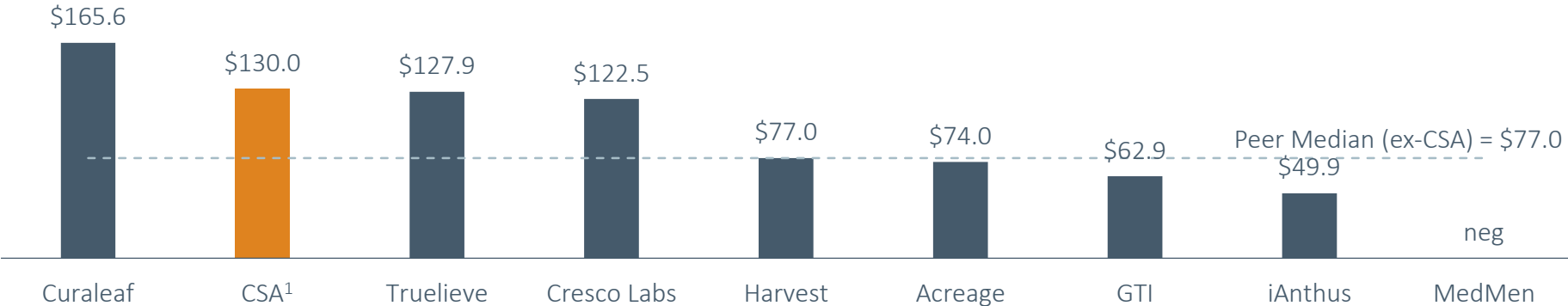
(4) Please see page 2 for the definition of Adjusted EBITDA

Peer Trading Analysis

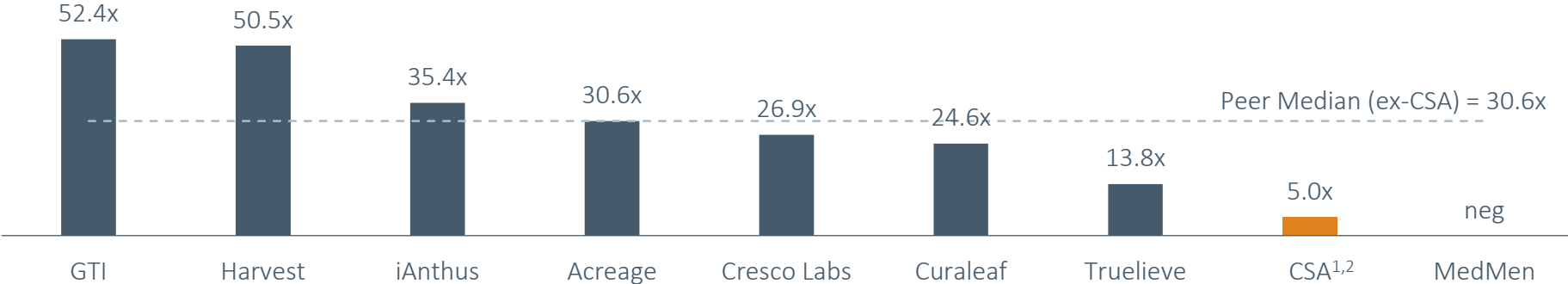
We expect transition from a SPAC structure to expand the universe of potential buyers and likely increase liquidity, supporting higher trading levels for CSA shares

2019E EBITDA

C\$ Millions



2019E EBITDA Multiples



Note: Based on most recent company filings adjusted for subsequent events. Assumes CAD/USD exchange rate of 0.745. Estimates are based on the low-end of ranges disclosed in the final prospectus.

Source: Company Filings, Capital IQ, Public Disclosure, all as at 3/14/2019

(1) Please see page 2 for the definition of Adjusted EBITDA

(2) Based on pro forma fully diluted share count, cash, and debt. See slide 7 for further details

Future Expansion



- Continue to consolidate highly fragmented Cannabis sector in key target states
 - Attractive population / visitation profile
 - Limited licenses
 - Recreational approval in place or near-term
- “Cluster and Penetrate” to achieve benefits of scale while maintaining discipline



Impact of Consolidation

- Superior brand strength at larger scale
- Shared SG&A
- Tax benefits for larger business and vertical integration
- Improved access to capital

Benefit

- ↑ volume, ↑ margin
- ↑ margin
- ↑ cash flow, ↑ organically generated capital
- ↑ investment ability

These benefits are expected to lead to multiple expansion in public markets

CSA Acquisition Strategy

Strategic Transactions Must Meet Strict Criteria

- Focus on existing operations with near-term Adjusted EBITDA¹, especially when access to capital is critical to realizing full potential
 - Differentiated from cannabis industry norm of “buying” forward revenue and growth, with profitability requiring significant capital expenditure, significant time, or both
- Target operational and product expertise that can be deployed in other markets and drive growth across CSA’s portfolio
- Strong preference for target teams to remain and for a significant portion of any consideration to be equity—ensures CSA gets quality assets and the most talented people

Strategy for Future Expansion

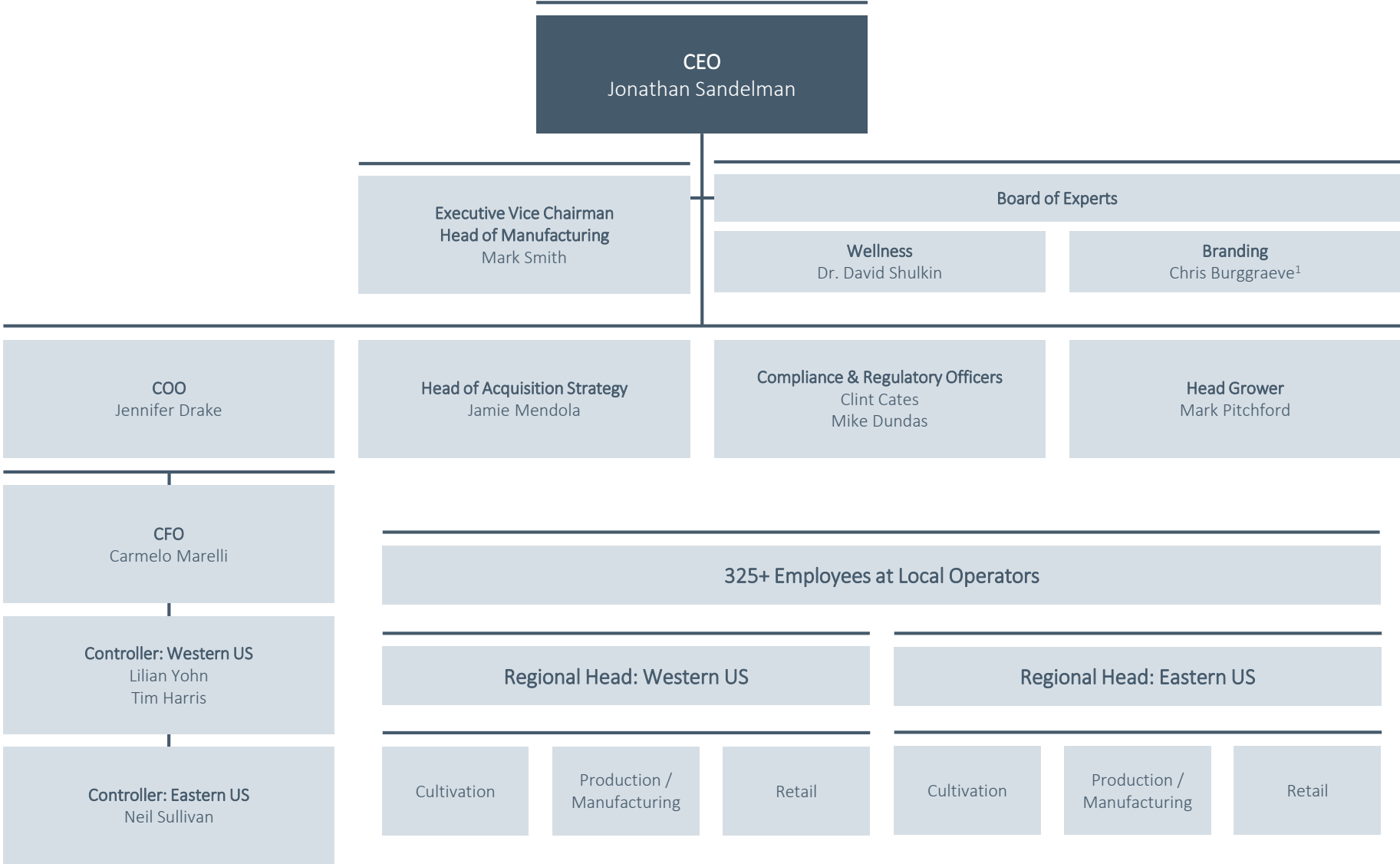
- Patient and disciplined—will always wait to do the right transaction at the right price instead of following the crowd
- Continue to target limited license states with meaningful addressable populations
 - Pipeline includes potential opportunities in Michigan, California, New York, New Jersey, Pennsylvania, Ohio, and others
- Cluster in adjacent states in Eastern and Western U.S. for synergy and brand strength

Results Demonstrated in the Anchor Portfolio:

CSA generates more Adj. EBITDA¹ than most peers with a smaller initial footprint

(1) Please see page 2 for the definition of Adjusted EBITDA

Deepest Talent Pool at Board, Executive & Operator Level



(1) Acting in his capacity as an independent director

Unmatched Team



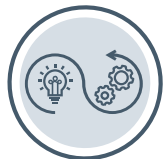
Jonathan Sandelman
Chief Executive Officer

- 30 year veteran of banking and finance, with a history of generating shareholder value
- Served as President of Bank of America Securities after building its capital markets businesses through the early 2000s, building Bank of America Securities beyond its roots as a consumer and corporate lender
- Founder and CEO of multi-billion dollar asset manager Sandelman Partners



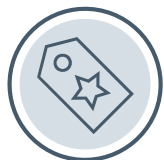
Mark Smith
Executive Vice Chairman

- Proven world class cannabis operator
- Built a large network of Colorado dispensaries (Tumbleweed), a line of premier edibles brands and concentrates and leading manufacturing capabilities in the Western US



Jennifer Drake
Chief Operating Officer

- Proven business leader in large blue chip institutions and at lean start-ups
- Former Managing Director at Goldman Sachs with extensive M&A experience
- Institutionalized the businesses of several multi-billion dollar asset management firms, ensuring compliance with complex regulatory frameworks and creating foundation for accelerated growth



Chris Burggraeve¹
Board of Experts - Branding

- Award winning global business marketer and active cannabis entrepreneur
- Over 30 years of global marketing experience at Proctor and Gamble, the Coca Cola Company, and AB InBev, where he was global CMO
- Chris has also served as a board member and President of the World Federation of Advertisers.



Dr. David Shulkin
Board of Experts - Wellness

- National thought leader on veterans' health and patient-centered care for all Americans
- Former Secretary of the Department of Veterans Affairs under President Trump and Undersecretary under President Obama
- History of leadership in healthcare organizations including the University of Pennsylvania Health System, Temple University Hospital, Beth Israel Medical Center, and the Morristown Medical Center

(1) Acting in his capacity as an independent director

Contacts

Individual Contacts

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Jennifer Drake

Chief Operating Officer

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APPENDIX

CSA Timeline

- **December 2017**: Raised over C\$130mm in a public offering of Canadian-listed SPAC shares for the acquisition of U.S. cannabis operators
- **December 2017 to October 2018**: Evaluated over fifty potential acquisitions, eventually signing purchase agreements in October 2018
- **October 2018**: Announced the acquisition of five target businesses
- **December 2018**: Filed preliminary prospectus
- **January 2019**: Record date for shareholder vote
- **February 2019**: Filed the final prospectus
- **March 2019**: Shareholder meeting and shareholder vote to approve the transaction
- **Early April 2019**: Expected closing date

Illustrative Adjusted EBITDA Reconciliation

Adjusted EBITDA Reconciliation

The following is an illustration of how CSA calculates Adjusted EBITDA and reconciles it to IFRS figures, based on figures from the final prospectus. It does not at this time represent final results of any of the target companies, which are in the process of being finalized and audited, or of CSA as a whole.

Adjusted EBITDA Reconciliation	
Period	Nine Months Ended September 30, 2019
	Pro Forma CSA
Net income (loss) from operations	(19,326,163)
Non-cash items accounting for biological assets and inventories	
Fair value changes	12,006,193
Unrealized gain on changes in fair value	(10,455,914)
	1,550,279
Interest	(703,507)
Depreciation and amortization	1,170,711
Share-based compensation expense	–
Acquisition costs	–
Other	31,876,350
	32,343,554
Adjusted EBITDA	14,567,671