

Agricultural Hemp & CBD: A Growing Industry with a Bright Future

Presented by: Daniel Kruse



CannaVest™ Commitment

At CannaVest™, we believe that the future of hemp is unlimited.

Through innovative and responsible application of science, we will enhance the prosperity and well-being of our customers, employees, communities, and shareholders.

We are committed to pioneering the hemp revolution as the world's leading producer of quality hemp-derived CBD products

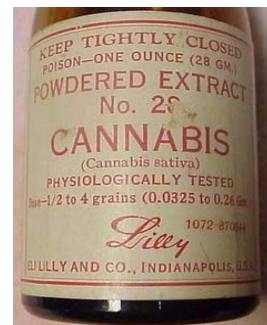
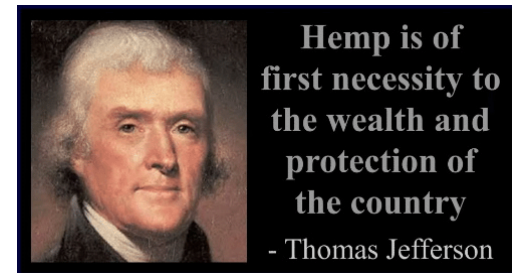


Business Summary

- Founded in 2012, CannaVest™ is one of the first CBD producers
- CannaVest™ produces, develops, markets and sells raw oil and end consumer products to the nutraceutical and other industry channels containing the non-psychoactive hemp plant extract, cannabidiol (“CBD”)
- We believe we are the largest supplier of low-THC CBD oil in the world
- Goals: to mainstream CBD and hemp oil extracts in the marketplace; to separate non-psychoactive CBD from THC-producing plants

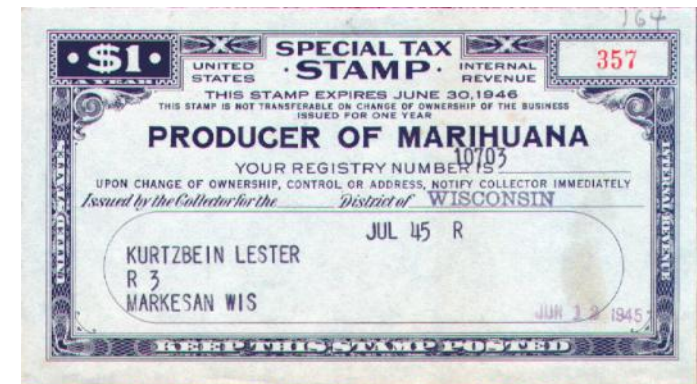
Timeline of US Hemp History Pre-1930

- American production of hemp was encouraged by the government in the 17th century for the production of rope, sails, and clothing
- In 1619 the Virginia Assembly passed legislation requiring every farmer to grow hemp
- Hemp was allowed to be exchanged as legal tender in Pennsylvania, Virginia, and Maryland
- 1815 Thomas Jefferson applied and received U.S. Patent #1 for his “Jefferson Hemp Brake” used for breaking hemp stalks into fiber
- 1916 USDA Bulletin 404 determined that 1 acre of hemp is equal to 4.1 acres of trees for fiber
- Introduced into Western medicine in 1840s by W.B. O’Shaughnessy, Cannabis extract from cannabis plants was the medicine of choice in early 1930
- Available by several manufactures in the US, promoted as having analgesic, sedative, anti-inflammatory, anti-spasmodic, and anti-convulsant properties



Timeline of US Hemp History 1930-1937

- 1930s: Fear of marijuana During the Great Depression, massive unemployment increased public resentment and fear of Mexican immigrants, escalating public and governmental concern about the problem of marijuana
- 1937: Marijuana Tax Act After a lurid national propaganda campaign against the "evil weed," Congress passed the Marijuana Tax Act. The statute effectively criminalized marijuana, restricting possession of the drug to individuals who paid an excise tax for certain authorized medical and industrial uses



BILLION- DOLLAR 1938 CROP

petition with coolie-produced foreign fiber while paying farmers fifteen dollars a ton for hemp as it comes from the field.

From the farmers' point of view, hemp is an easy crop to grow and will yield from three to six tons per acre on any land that will grow corn, wheat, or oats. It has a short growing season, so that it can be planted after other crops are in. It can be grown in any state of the union. The long roots penetrate and break the soil to leave it in perfect condition for the next year's crop. The dense shock of leaves, eight to twelve feet above the ground, chokes out weeds. Two successive crops are enough to reclaim land that has been abandoned because of Canadian thistles or quack grass.

Under old methods, hemp

(Continued to page 144A)



Top, modern version of linen duster made from hemp. Bottom, harvesting hemp with a grain binder. Hemp grows luxuriously in Texas

THE MAKING OF A RACE DRIVER

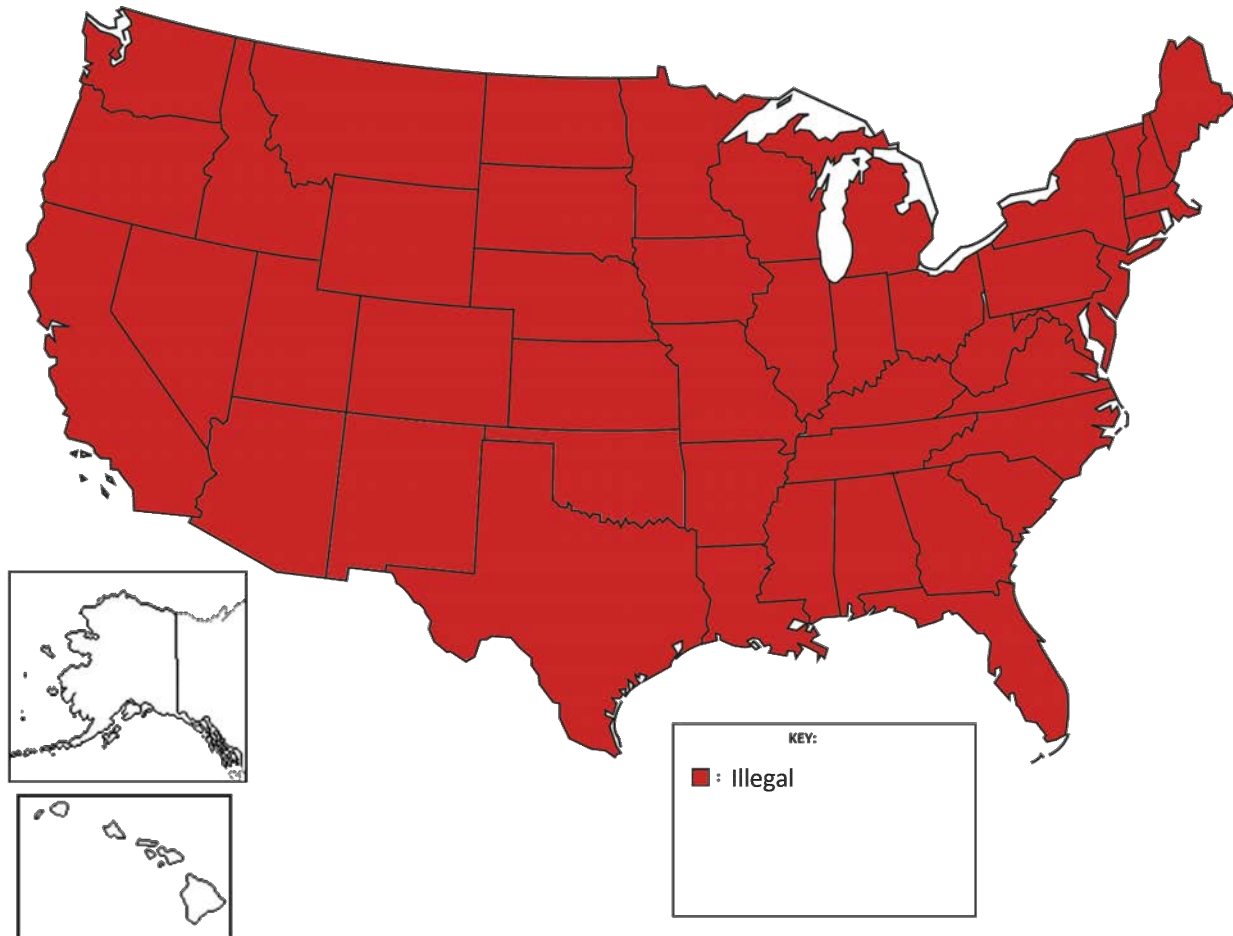
POPULAR MECHANICS MAGAZINE

FEB.
25 CENTS



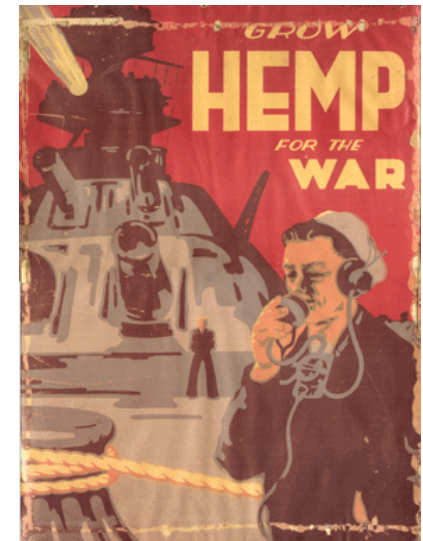
Status of US Cannabis Legislation

1937 - 1941



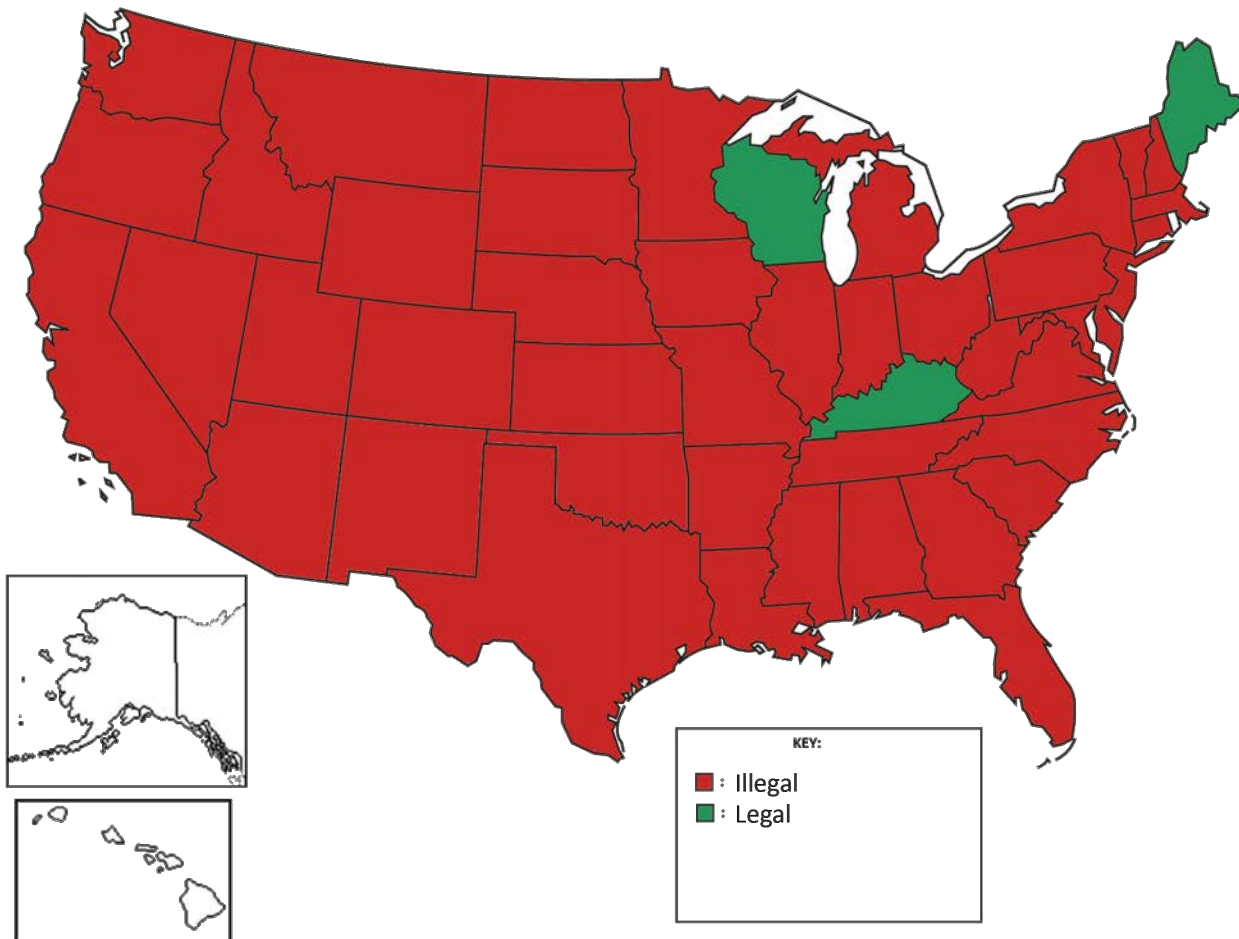
Timeline of US Hemp History 1942-1945

- During WWII, imports of hemp were crucial for military supplies/necessities
- USDA launched “Hemp for Victory” encouraging farmers to plant hemp by giving out seeds and granting draft determents to those who stayed home and grew hemp
- By 1943 approx. 375,000 acres of hemp were harvested



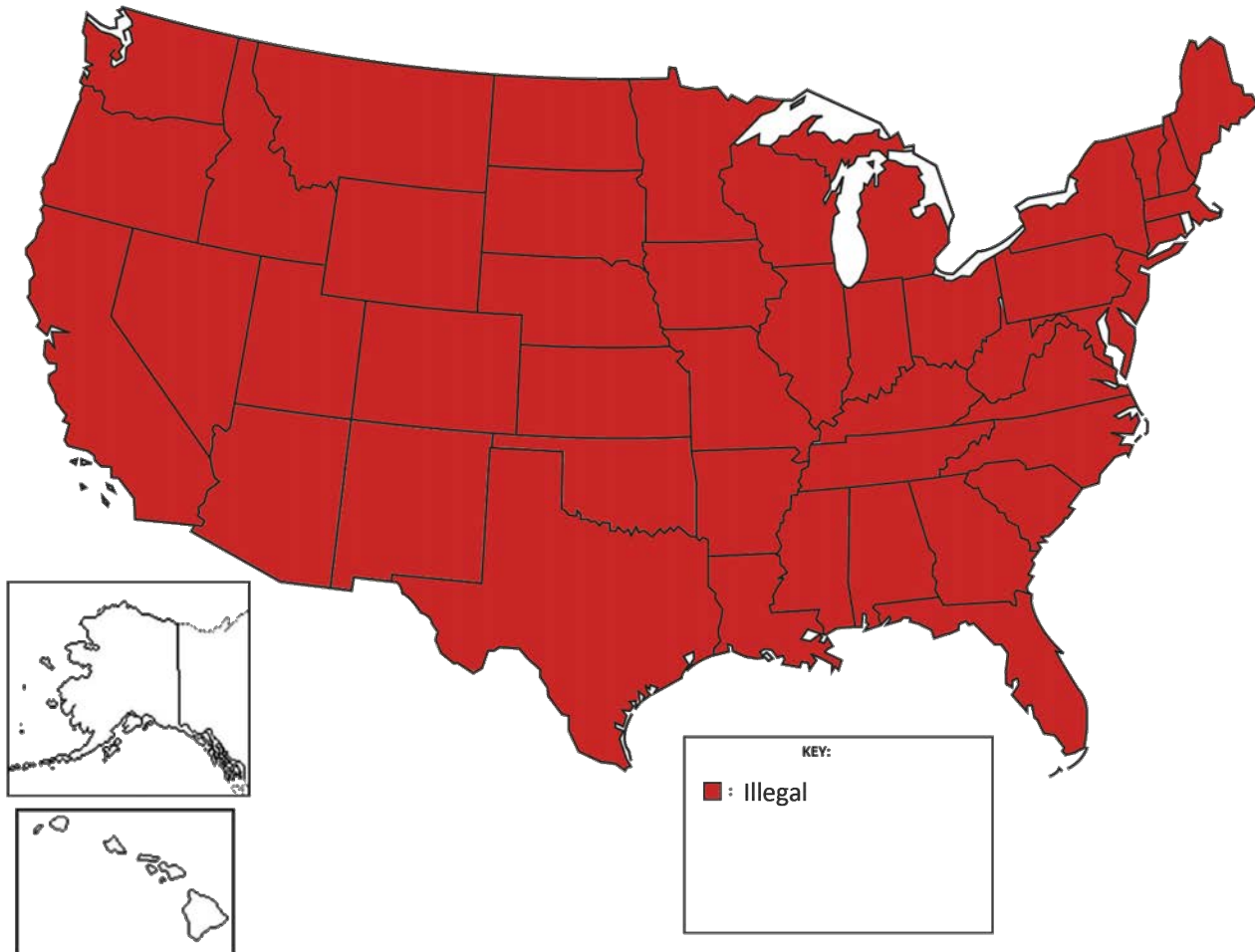
Status of US Cannabis Legislation

1942 - 1945



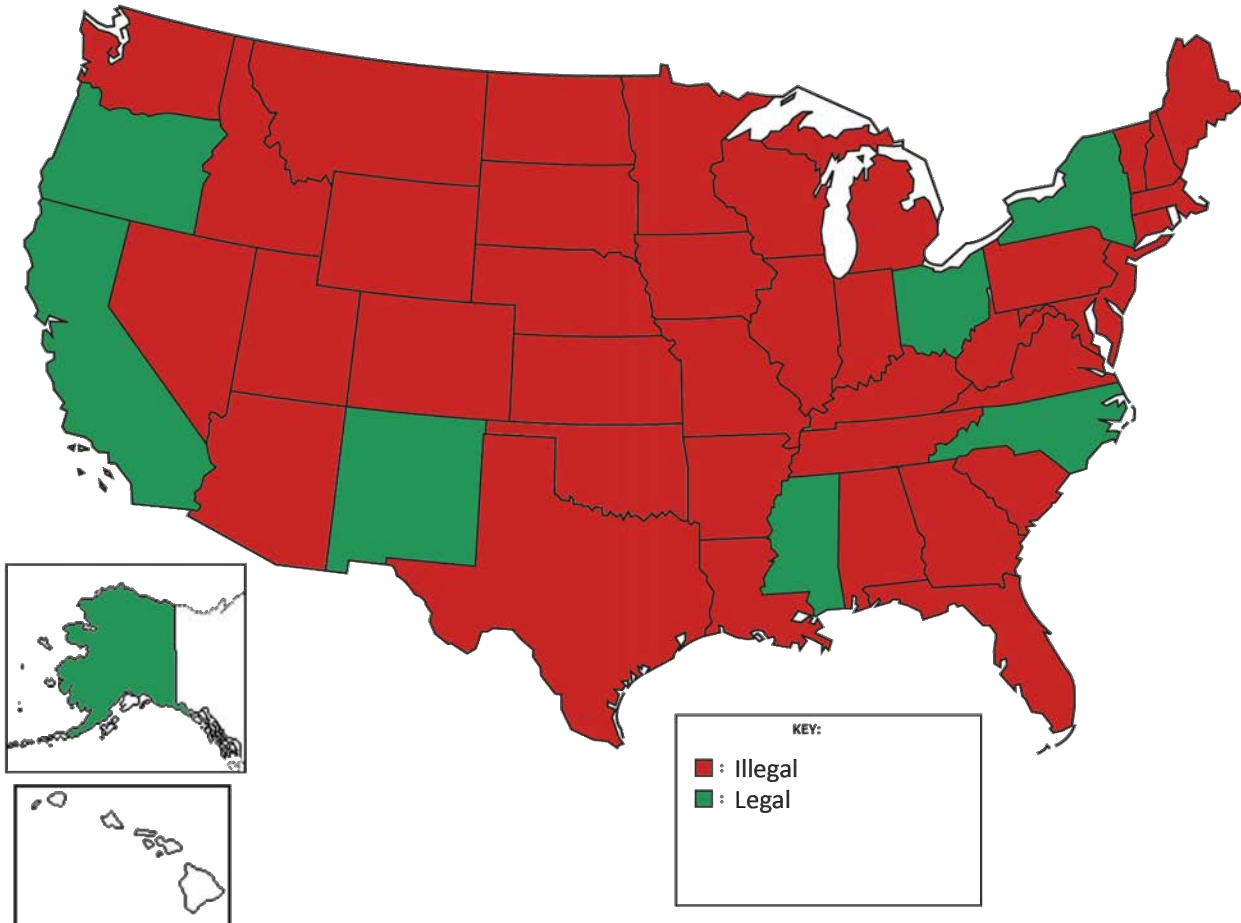
Status of US Cannabis Legislation

1955 - 1970s



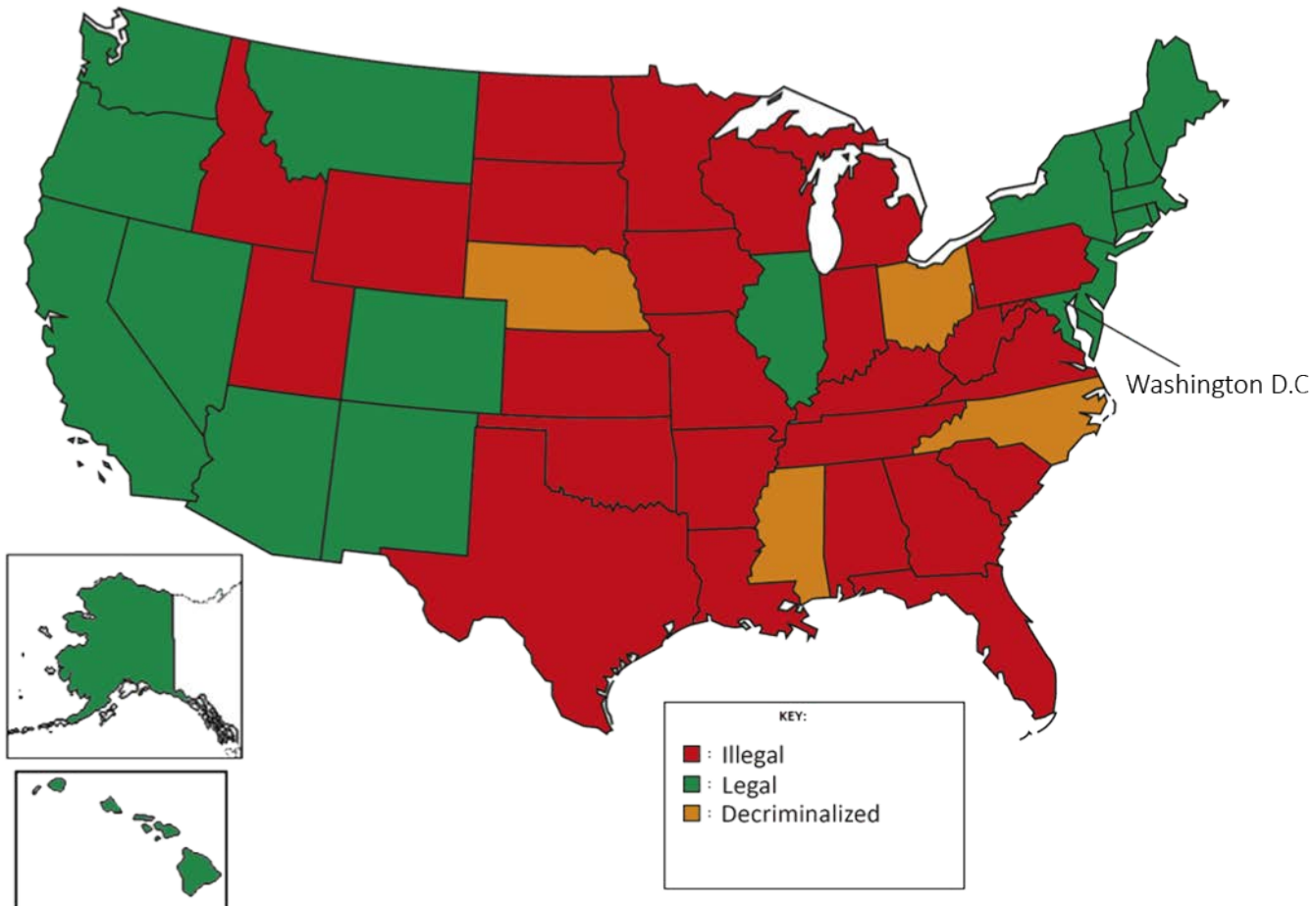
Status of US Cannabis Legislation

1973 - 1990s Decriminalization



Status of US Cannabis Legislation

2010 - 2013 Medical Marijuana



Current Progress 2014-2015

- Currently, it is not legal to grow Industrial Hemp in the United States, but in 2014, the Farm Bill allowed for hemp to be grown for R&D purposes
- A bipartisan group of lawmakers introduced a bill that aims to put an end to the federal ban on hemp production in the United States. The Act would amend the CSA to exclude industrial hemp from the definition of marijuana and would allow for American farmers in any state to grow the crop
- CannaVest™ is working with Kentucky State Department of Agriculture advising on their hemp program
- CannaVest™ has partnered with Murray State University to provide seeds, advise hemp program – first hemp harvest in the United States in over 60 years

One Hundred Thirteenth Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Friday,
the third day of January, two thousand and fourteen*

An Act

To provide for the reform and continuation of agricultural and other programs of the Department of Agriculture through fiscal year 2018, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Agricultural Act of 2014”.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definition of Secretary of Agriculture.

Legal Hemp US Farm Bill

• Section 7606

2) INDUSTRIAL HEMP- The term ‘industrial hemp’ means the plant *Cannabis sativa* L. and any part of such plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of Not more than 0.3 percent on a dry weight basis.



Current Progress 2014-2015

- 23 states have legalized the use of medical marijuana
- 4 states plus Washington DC have legalized the use of recreational marijuana
- 11 states have legalized the use of low-THC CBD for treatment of certain medical conditions
- Hemp farming in U.S. is ready to develop
- Wall Street taking notice
- Increased positive Mainstream media coverage





The CannaVest™ Difference

- Full Traceability – From Seed to Shelf
- Chemical-Free CO2 Extraction Process
- State-of-the-Art Laboratory
- Quality Assurance via Third Party Testing
- Non-GMO & Gluten Free
- Responsible Ethics in Communication

Full Traceability – From Seed to Shelf

HARVEST
THE SEEDS



Using EU Certified hemp seeds, we have exclusive contracts with a co-op of local farmers in Europe.

EXTRACT
THE OIL



At an on-site European ISO certified facility, we use CO2 extraction.

IMPORT
THE OIL



Lawful importation of our CO2 hemp paste directly to CannaVest™ Laboratories.

TEST
THE OIL



At CannaVest™ Laboratories, we test for cannabinoid content, pesticides, contaminants, heavy metals and solvents.

Full Traceability – From Seed to Shelf

HAVE AN
INDEPENDENT
LAB TEST
THE OIL



We send our oil to a third party laboratory to verify concentration, quality and safety.

FILTER &
CONVERT
THE OIL



We convert our CO2 extracted hemp oil into our full plant complex and extra strength CBD hemp oil.

FORMULATE
OUR
PLUSCBD OIL™
PRODUCTS



We formulate and bottle our CO2 extracted hemp oil Plus CBD Oil line at a cGMP and NSF certified facility.

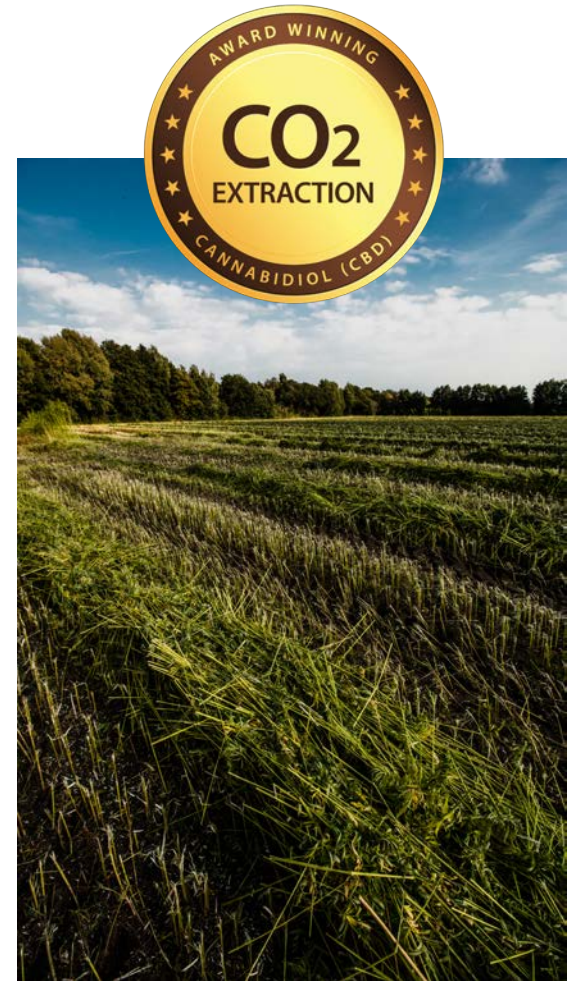
DISTRIBUTE
OUR PRODUCTS
TO YOUR SHELF



From Seed to Shelf™, we guarantee the highest quality hemp-derived CBD products.

Chemical-Free CO₂ Extraction Process

- Instead of using harsh chemical solvent extraction to process our oils, CannaVest™ employs a chemical-free CO₂ extraction to ensure product stability and quality
- A “cold” process, hemp oil extractions are done at temperatures closest to its botanical material, minimizing thermal degradation of the plant material and the extracted oil
- Further, CO₂ extraction process is environmentally friendly, non-toxic and Generally Regarded As Safe (GRAS) by the FDA



State-of-the-Art Laboratory

- To guarantee the purity and safety of our CBD oils, CannaVest™ has constructed a state-of-the-art laboratory, analyzing our hemp oils for cannabinoid content, pesticides, contaminants, heavy metals and solvents
- CannaVest™ employs a first-class scientific team to manage the production and testing of our CBD oils, to ensure the safest, most effective CBD products on the market
- Our Quality Management assures non-GMO and gluten free products



Quality Assurance via Third Party Testing

Throughout the entire supply chain to produce PlusCBD Oil™ products, we test our oils repeatedly. But it doesn't stop there - we go one step further:

Third Party Independent Analysis

In order to prove our high-quality products contain what is listed on the label and are free of adulteration, we send our product to a third-party laboratory



*Certificates of Analyses are available upon request
to all of our customers*

Products - Bulk

- CannaVest™ offers raw material in a variety of delivery systems and cannabinoid concentrations

GREEN RAW



GREEN DECARB



GOLD FILTERED



POWDER



WATER SOLUBLE



Products - Finished

- Bulk raw CBD oil
- PlusCBD™ Tinctured CBD oil
- PlusCBD™ Capsules
- PlusCBD™ beauty products
- Vape



NON
GMO



10ct

30ct



PEPPERMINT



UNFLAVORED



VANILLA



PEPPERMINT



UNFLAVORED



VANILLA



57g

BALM



CAPSULES



SPRAY - 1 fl oz (30mL)



SPRAY - 2 fl oz (60mL)

Product Development

Oxford English Dictionary “Word of The Year”

What does vape mean?

It originated as an abbreviation of vapour or vaporize. The verb means ‘to inhale and exhale the vapour produced by an electronic cigarette or similar device’, while both the device and the action can also be known as a vape. The associated noun is vaping.

VAPE

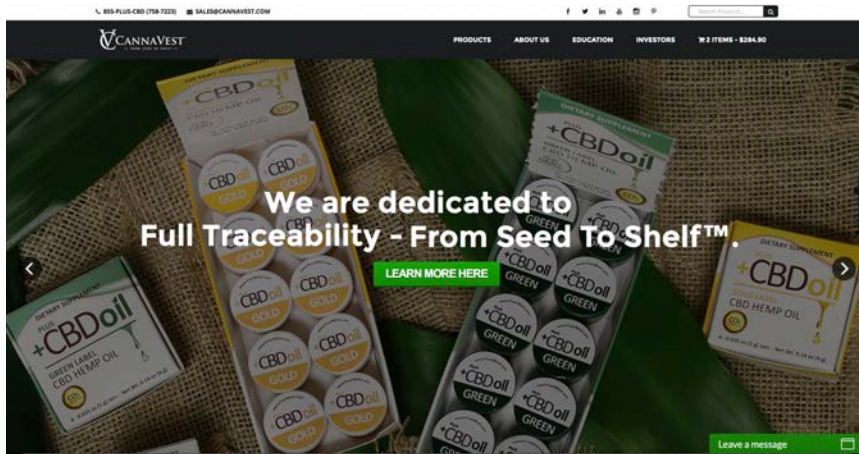


Target Market - Today

- Sales Channels (today):
 - Dispensary/recreational
 - CannaVest e-commerce
 - Early adopters e-commerce
 - Early adopters - retail brick & mortar



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Locations



Target Market - Future

- Sales Channels (in development):
 - Natural products (Whole Foods, Sprouts)
 - Vitamin retail (GNC, Vitamin Shoppe)
 - Cosmetic companies (L'Oréal)
 - Beverage companies (Monster, Arrowhead)
 - Food, Drug & Mass (National Grocery, Drug & Mass Merchant)

L'ORÉAL

ANNUAL REVENUE \$27.4B



Target Market EU - Launching Summer 2015

CannaVest™ Europe GmbH



Thank you
for your attention!

