



TSXV : EMH
OTCQX : EMHTF

Price: \$5.64¹
Market Cap: \$764.2¹
Cash: \$72.7 M²
O/S Shares: 135.5 M²
3 M Avg Vol: 1.61 M³
52W H/L: \$1.16-\$9.68¹
¹18/09/11 ²18/06/30 ³TSX.V + OTCQX

Strategic investor, Emerald Health Sciences, owns 32%

RECENT ADVANCES

18/09/10 Selected as an authorized cannabis supplier by the Newfoundland Labrador Liquor Corporation

18/09/07 Becomes approved supplier for the Ontario Cannabis Retail Corporation, operating as the Cannabis Retail Store

18/09/06 JV, Pure Sunfarms receives an amendment from Health Canada to expand the production area to 550,000 square feet.

18/08/27 Signs a term sheet to form a strategic alliance with Factors R&D Technology, Inc., to access industrial-scale manufacturing capacity of extraction, soft gel production, and packaging.

EMERALD HEALTH THERAPEUTICS INC.

Leveraging industry-leading life sciences, cannabis and greenhouse growing expertise to achieve highly competitive low cost, value added products for the large legal medical and future recreational cannabis market in Canada.

COMPANY HIGHLIGHTS

- One of the industry's most qualified management teams in life sciences, cannabis cultivation & large-scale agri-business. Management & board members have raised over \$1B for development-stage companies and run clinical trials with aggregate budgets exceeding \$1B.
- Exclusive arrangement with Canada's largest nutritional supplement marketer and manufacturer, Factors Group of Nutritional Companies, gaining access to a facility capable of processing up to 1M kg of biomass annually and softgel production capacity of up to 600M capsules per year.
- Secured cannabis supply agreements with the provinces of British Columbia, Ontario, Newfoundland and Labrador. Emerald will allocate approximately 13,000 kg of product to the BCLDB. Product quantities for the Ontario Cannabis Retail Corporation and the Newfoundland Labrador Liquor Corporation will be disclosed once details from these provinces are released.
- Downstream focus on high margin products. Pursuing product innovation and intellectual property based on unique genetics/strains, formulation, delivery, and other attributes. Future initiatives include generating clinical evidence of utility with unique formulated products.
- Transformational 50/50 partnership with Village Farms, one of North America's largest vertically integrated greenhouse vegetable growers, converting co-owned 1.1M sf greenhouse for large-scale cannabis cultivation.
- Acquisition of Agro-Biotech, a Licensed Producer in Saint-Eustache, Québec, with a 75,000-sf facility including 50,000 sf of indoor growing space. The facility will serve the Québec market and enhance expansion into Eastern Canada.



STRATEGIC STEPS TO CREATE PROMINENT INDUSTRY POSITIONING

- The Emerald/Village Farms partnership called Pure Sunfarms, now in commercial production, adds decades of large-scale greenhouse growing experience and strategically positions Emerald for rapid production capacity expansion in anticipation of the future legal adult-use market. Targeting production costs below \$1/gram.
- Entered into a strategic alliance with Factors R&D Technology, Inc, a division of Factors Group of Nutritional Companies Inc, Canada's largest nutritional supplement marketer and manufacturer. The exclusive arrangement provides access to an industrial-scale production facility for extraction, value-added product development and packaging as well as Canadian and international distribution centers.
- Entered into a 51:49 partnership with San Diego-based Emerald Health Bioceticals Inc. (EHB) to create Emerald Health Naturals (EHN). Secured exclusive Canadian rights to sell award-winning non-cannabis health products that support the endocannabinoid system through natural health product, grocery, and pharmacy sales channels.
- Acquiring Northern Vine Laboratories, a Licensed Dealer with an R&D facility, allows Emerald to provide analytical testing services, import and export oils and advance product innovation and development plans.



PRODUCTION SCALABILITY

- 1.1M sf greenhouse facility that represents one of Canada's largest single cannabis growing facilities.
- Option on two additional greenhouses with 3.7M sf.

LOW COST GROWING

- Decades of large-scale greenhouse growing experience plus extensive cannabis growing expertise in optimally configured facility.
- The goal is to produce cannabis at less than \$1/gram.

LOOKING AHEAD

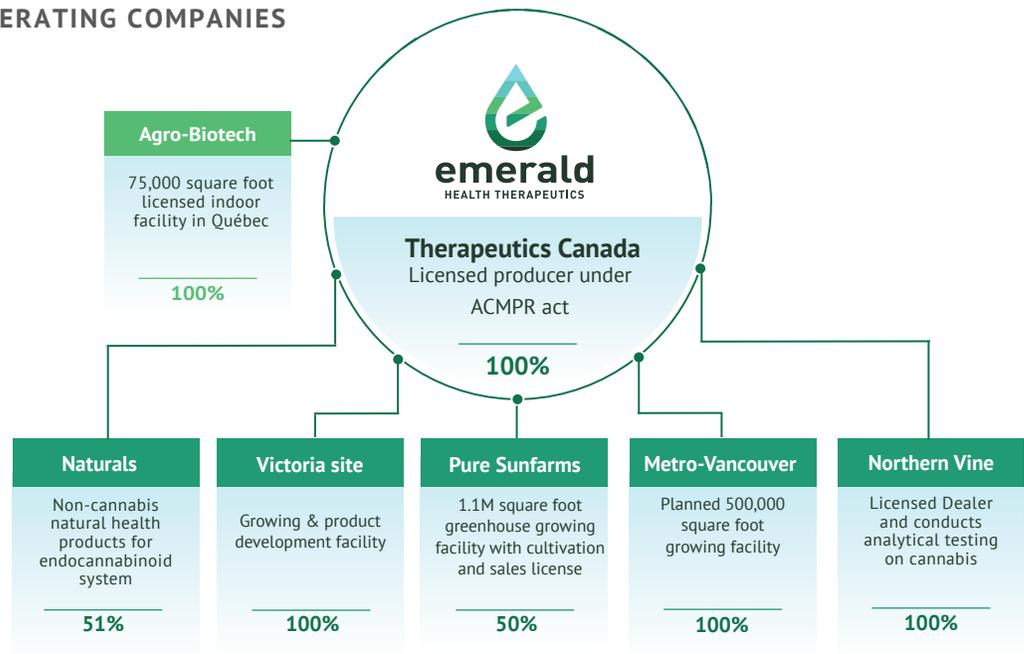
The world's largest legal market for recreational cannabis

On June 19, 2018, the Canadian government approved the Cannabis Act, legalizing cannabis for recreational adult-use. Wholesales and retail sales will begin on October 17, 2018. Emerald is expanding capacity to meet the demand and growth of the anticipated legal adult-use market.

Legalization makes Canada the world's largest federally legal market for recreational cannabis, which Deloitte estimates may exceed \$7.2B in 2019.

The Marijuana Policy Group suggested that 25% of users in the medical use market will generate 85% of the demand. In Colorado, where a fully legal market policy is enforced, 38% of medical users consume cannabis near daily compared to adult use which is 16% near daily.

OPERATING COMPANIES



LEADERSHIP

Emerald is distinguished by an established board of directors and management team with extensive experience in pharmaceutical research, product and intellectual property development, large-scale agriculture, and marketing.

Executive Chairman, Avtar Dhillon, is a life science entrepreneur with more than 35 years' experience building public companies through M&A, establishing dominant IP portfolios, and leading innovative scientific and farming enterprises. As a founder/co-founder or lead investor in dozens of life science companies, he has raised over \$1B in public and private financings. Currently, Dr. Dhillon serves as an active board member and chairman for a number of life science and investment companies, and is Chairman of the Cannabis Canada Council.

Chief Executive Officer, Chris Wagner, has more than 25 years' experience in commercialization and product development in the life sciences industry. As the Global Team Leader at Eli Lilly, Mr. Wagner launched 15 biologic and small molecule products and directed global marketing for several notable brands, including Prozac®, Cialis®, and Zyprexa®, which alone achieved annual sales of over \$4B per year. He has since used his entrepreneurial, marketing and leadership skills to guide Aspreva Pharmaceuticals, Sirius Genomics, and Contextual Genomics from start-up to success.

Emerald's dynamic team of leaders have decades of experience in clinical research, GMP production practices, quality control, regulatory processes, developing intellectual property, and commercialization of some of the world's most successful consumer goods on a global scale.

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