



Corporate Presentation

October 2017

CSE: CRZ | OTCQX: CNNRF

INVESTOR PRESENTATION STOCK DISCLAIMERS

Forward Looking Information

This investor presentation dated July 2017 (the “Presentation”) contains “forward-looking information” regarding CannaRoyalty Corp. (“CannaRoyalty” or the “Company”) and its subsidiaries. Except for statements of historical fact, certain information contained herein constitutes forward-looking statements which include management’s assessment of future plans and operations and are based on current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. Often, but not always, forward-looking statements can be identified by the use of words and phrases such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and are based on various assumptions such as: (i) the Company’s ability to generate cash flow from operations and obtain necessary financing on acceptable terms; (ii) general economic, financial market, regulatory and political conditions in which the Company operates; (iii) consumer interest in Company products; (iv) anticipated and unanticipated costs; (v) government regulation of the Company’s activities and products; (vi) the timely receipt of any required regulatory approvals; (vii) the Company’s ability to obtain qualified staff, equipment and services in a timely and cost efficient manner; the Company’s ability to conduct operations in a safe, efficient and effective manner; (viii) and the Company’s construction plans, expansion of facilities, its costs and timeframe for completion of such plans.

Forward-looking statements are not guarantees of future performance and undue reliance should not be placed on them. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of CannaRoyalty to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Many of these risk factors and uncertainties are discussed in the Company’s Annual Information Form in a section entitled “Risk Factors” and other documents the Company files with the Canadian Securities Administrators available on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this Presentation and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking 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.

Securities Laws

This Presentation is for informational purposes and does not constitute an offer or a solicitation of an offer to purchase the securities referred to herein.

No Reproduction or Distribution

The contents of this presentation are not to be reproduced or distributed to any third party, including the general public or the media, without the express written consent of CannaRoyalty. The information contained herein, while obtained from available sources which the Company believes are reliable, is not guaranteed as to its accuracy or completeness.

Third Party Information

Certain information contained in this Presentation with respect to market trends and products has been obtained or quoted from publicly available sources, such as continuous disclosure documents, independent publications, media articles, third party websites (collectively, the “Publications”). In certain cases, these sources make no representations as to the reliability of the information they publish. Further, the analyses and opinions reflected in these Publications are subject to a series of assumptions about future events. There are a number of factors that can cause the results to differ materially from those described in these publications. None of the Company or its representatives independently verified the accuracy or completeness of the information contained in the Publications or assume any responsibility for the completeness or accuracy of the information derived from these Publications.

Additional Information

Additional information relating to the Company has been filed electronically through SEDAR and is available online at www.sedar.com or at the Company’s website at www.cannaroyalty.com.

Strategic Capital + Operational Support



AMOUNT RAISED

\$34.35
million



BUSINESS SEGEMENTS

17
Holdings

+ CR Brands

+ CR Advisory
Services



GEOGRAPHICAL REGIONS

5
US States
(CA, WA, OR, AR, FL)

+ Canada

+ Puerto Rico



INVESTMENT TYPES

Royalty Agreements

Equity Stakes

Licensing Deals




Secured and
Convertible Debt

Other Strategic
Partnerships

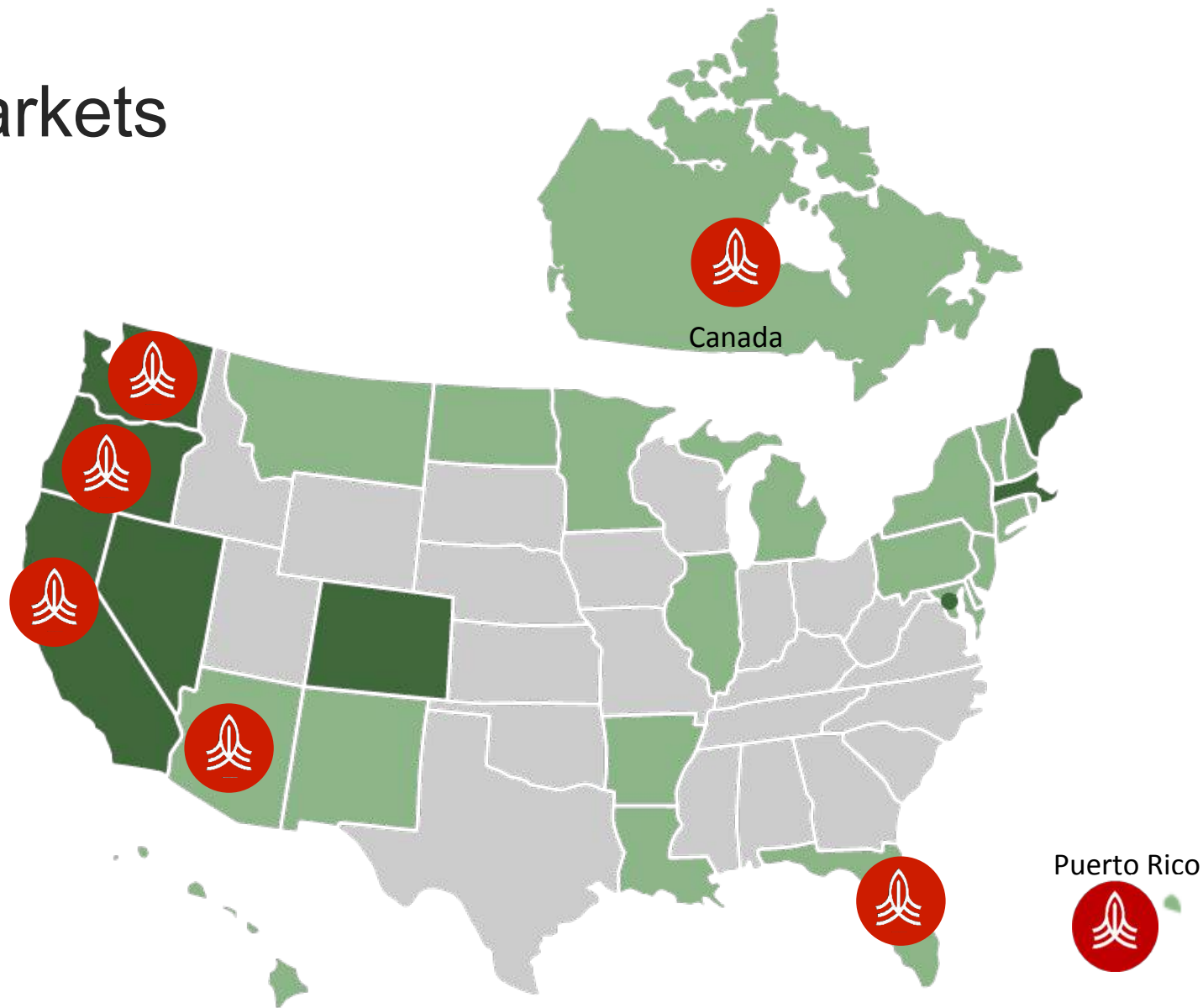
Current Markets

	Total Population	# of Registered Patients	Registered Patients per 1000 Residents
Arizona	7,026,629	114,439	16.3
California	39,849,872	1,526,250	38.3
Florida	21,002,678	N/A	N/A
Oregon	4,144,527	67,141	16.2
Washington	7,384,721	138,056	19.2
Canada	35,850,000	167,754	4.7
Puerto Rico	3,474,182	11,091	3.2

CANNABIS LEGALIZATION*

-  Legal Medical & Adult Recreational Use
-  Legal Medical Use
-  CannaRoyalty's assets and holdings

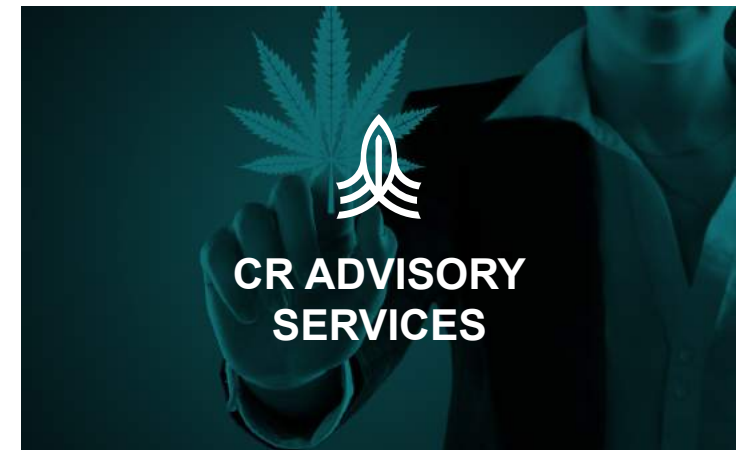
*As mandated by 2016 U.S. Election Day results.





OUR STRATEGY

Building an integrated platform of assets focused on high-value segments of the global cannabis market





CONTROLLED EQUITY HOLDINGS



OTHER EQUITY AND ROYALTY HOLDINGS





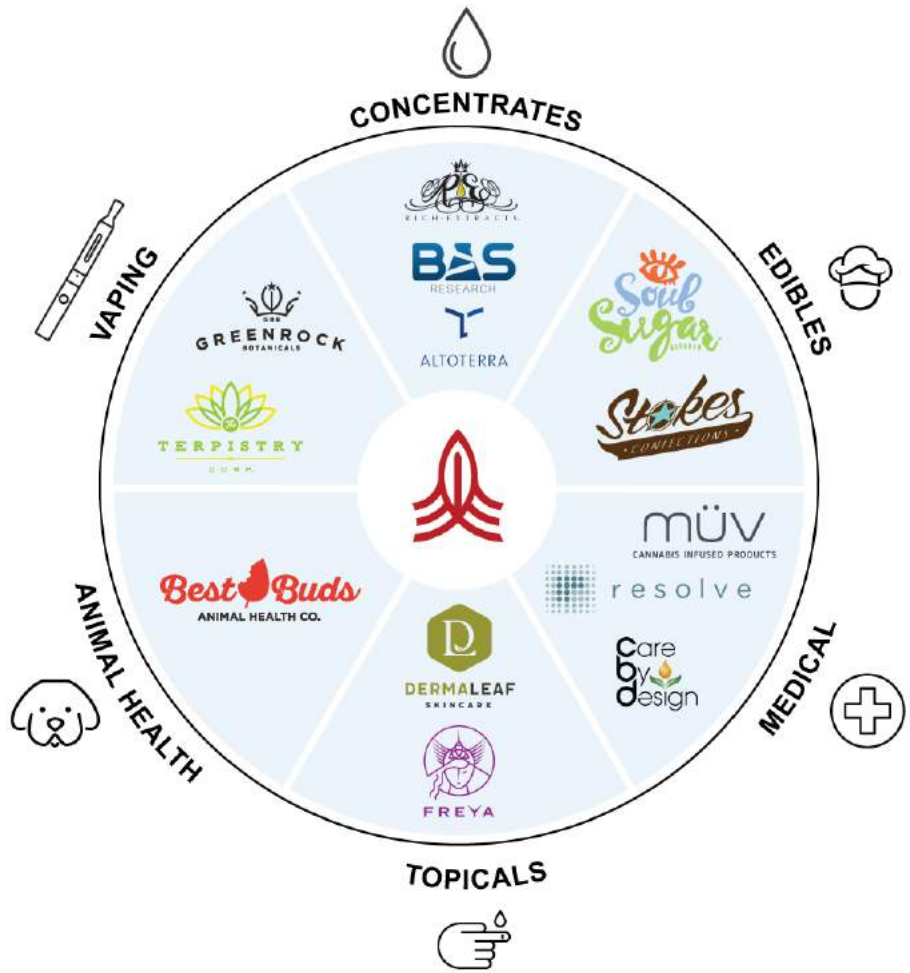
PREMIUM CONSUMER BRANDS IN MEDICAL, WELLNESS & ANIMAL HEALTH





CR BRANDS ACROSS KEY CANNABIS SEGMENTS

DRIED HERB MARKET



EXTRACTS MARKET



SERVICE OFFERINGS

Corporate
Finance



Marketing and
Brand Development



Operational
Support



Financial Management
Compliance and
Regulatory



Investor
Relations



Media Relations
& Outreach



FOCUSED ON



CR Holdings

- ▶ Paid service offerings provided to our investee companies
- ▶ Functional knowledge and industry expertise to accelerate growth and improve returns
- ▶ Secured engagements with investees AltMed and Wagner Dimas

Sprott Joint Venture

- ▶ Sourcing, due diligence and strategic support for investment opportunities
- ▶ Driving growth of investees funded by the JV





\$12 million secured revolving credit facility









- ▶ **\$12 million** credit facility with 3-year term
- ▶ Interest rate: 10% per annum
- ▶ 1.8 million warrants issued to Sprott, priced at \$2.05 per share
- ▶ Funds to be used for specific opportunities that CannaRoyalty is pursuing for production and/or processing assets, as well as general corporate purposes



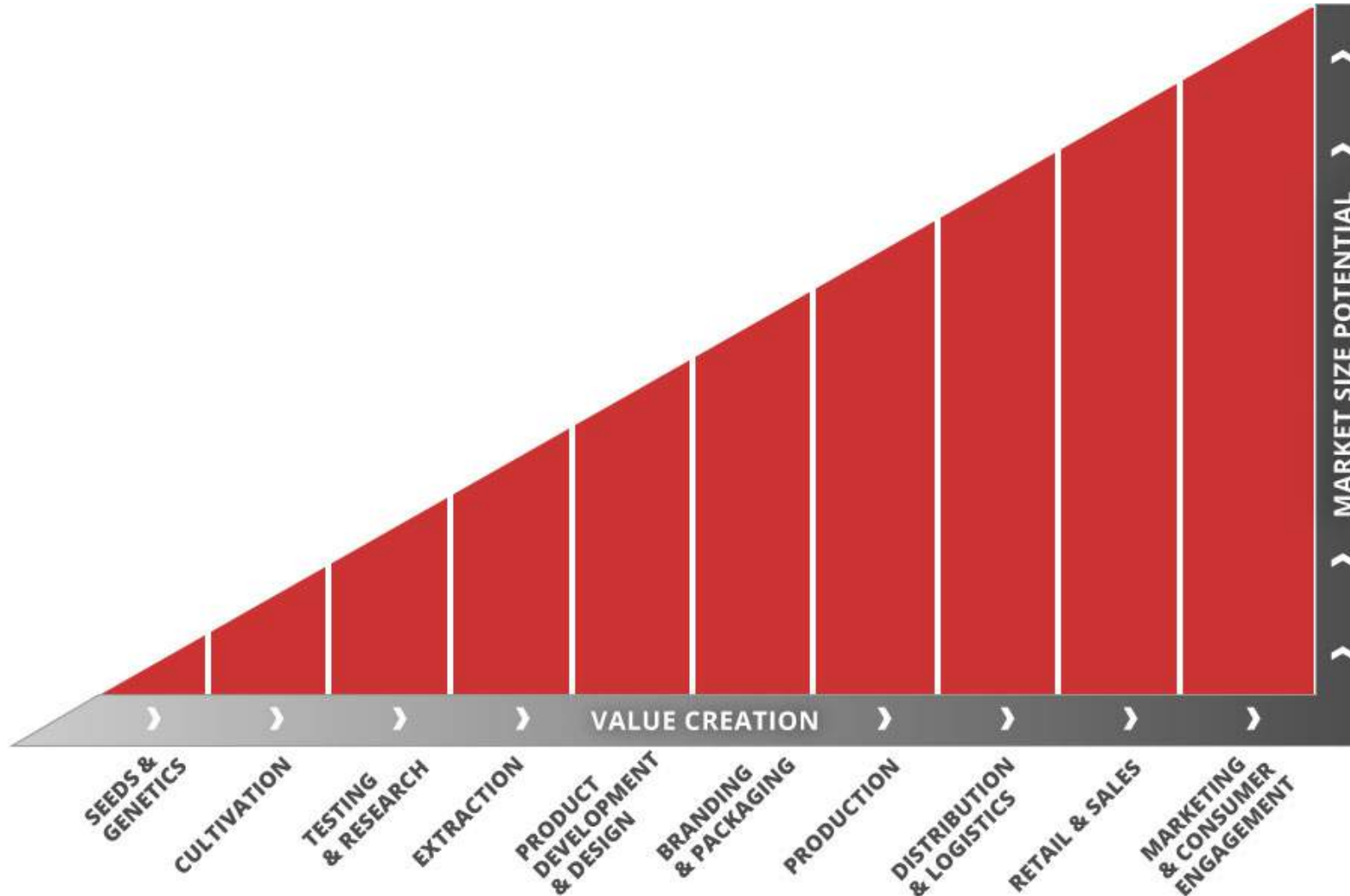
Joint Venture with Sprott

- ▶ **Sprott to arrange capital for investments**
- ▶ **Mandate to invest in the Canadian cannabis market**
- ▶ **CannaRoyalty earns:**
 - ▶ Realized returns from investments made, following a customary private equity style waterfall
 - ▶ Royalty, advisory services or other business relationships with JV borrowers
- ▶ **CannaRoyalty provides:**
 - ▶ Sourcing of investment opportunities
 - ▶ Perform due diligence
 - ▶ Provide strategic support to JV investments

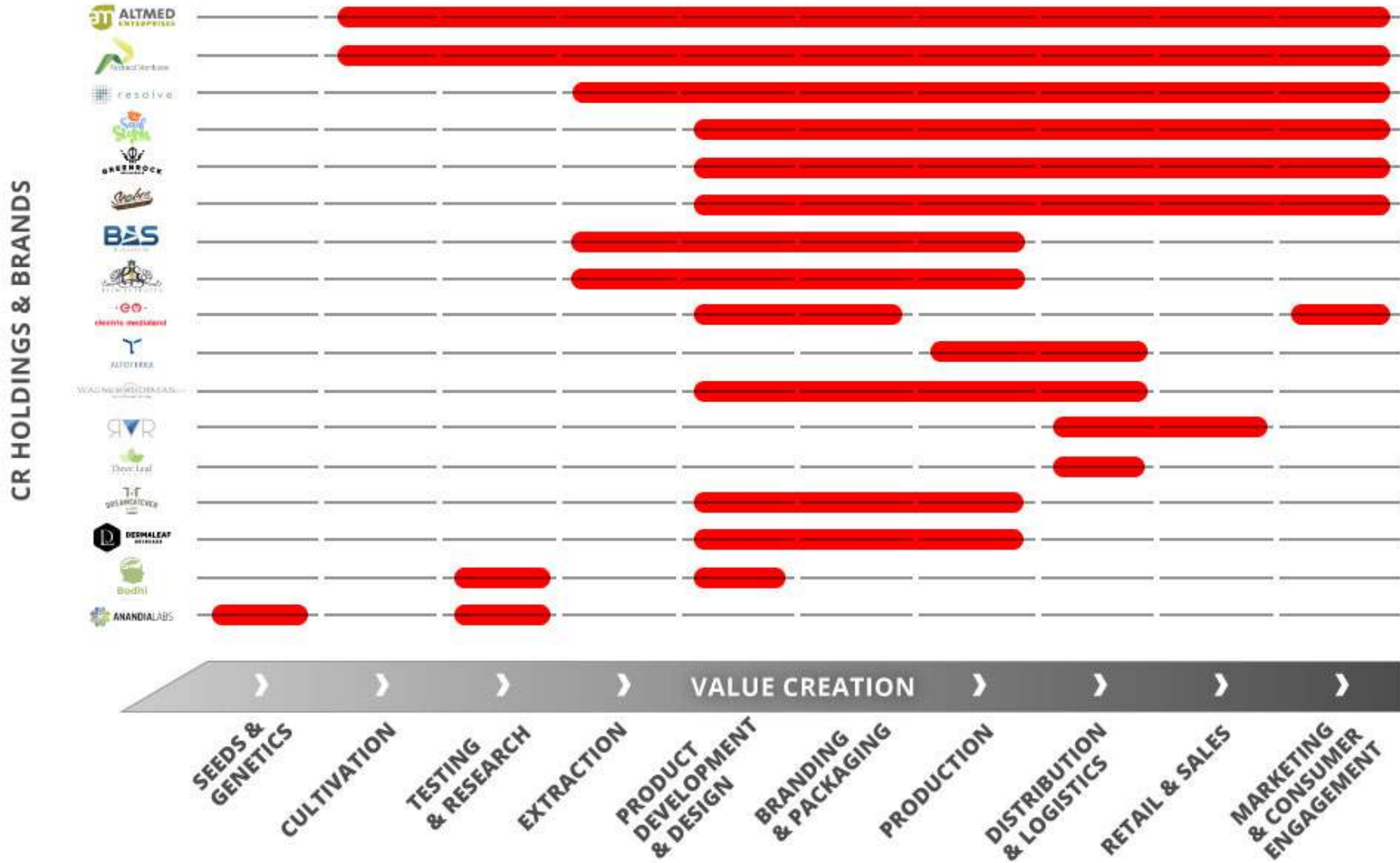
Top Holdings

	INVESTMENT TYPE	VALUE CLASSIFICATION	QUALITATIVE	AMOUNT INVESTED
	100% equity stake	P&L, B/S	Proprietary filling & cartridge technology; GreenRock Botanicals brand	\$6m (could be as high as \$8m with milestones)
	20% equity stake	P&L, B/S	Health Canada Dealer license, approved testing lab	\$4m in cash, shares, and equipment
	Royalty-type structure (2.25% until capital recovered, 1.75% until Dec 31, 2024)	Revenue	Only licensed distribution company in CA with warehouses in Sacramento, Santa Rosa, LA County	US\$5m over 12 months
	30% revenue royalty in perpetuity	Revenue	30,000 square foot licensed lab, extraction facility in Oregon	US\$2.15m
	30% revenue royalty in perpetuity	Revenue	Real estate 'cannabis campus' in WA	US\$808,000
	22% equity stake; exclusive Canadian license; 12% debt financing	P&L, B/S	IP on technology to scale the production of pre-rolls	US\$925,000
	27.2% equity stake	P&L, B/S	Patent-pending medical vaporizer with smart phone app	\$2.445m in cash and shares
	8.2% equity stake; 3.5% revenue royalty on MüV Products	P&L, B/S	Current operations in AZ, FL, CO	US\$1.5m for equity; \$1.13m for royalty

Value-add Segments of the Cannabis Market



CannaRoyalty Exposure to the Value-add Segments of the Cannabis Market



CR Holdings

ROYALTY AGREEMENTS

Cascadia Holdings - AltoTerra subsidiary
(Washington) – 30% of revenue in perpetuity

Rich Extracts (Oregon) – 30% of revenue in perpetuity

River (California) – 2.25% of revenue until capital recovered, 1.75% until Dec 31, 2024; plus CR Brands has a preferred product distribution agreement in CA

NuTrae (MüV Products) – 3.5% of net revenue for 10 years ending Dec 31, 2025

Natural Ventures (Puerto Rico) – 2.5% net income royalty for 10 years from first commercial sale (Feb 2017)

SECURED, CONVERTIBLE LOANS

Eureka Management Services – (convertible to additional 10% equity stake)

BAS Research – (convertible at 20% discount to Series A financing)

EQUITY (Controlled)

DreamCatcher Labs – 100%
(GreenRock Botanicals brand)

Electric Medialand – 100%

Achelois – 70%
(DermaLeaf Skin Care brand)

EQUITY (Other)

Anandia Labs – 20%

Bodhi Research – 10% (option to increase to 20%)

Wagner Dimas – 22%

Resolve Digital Health – 27.2%

AltMed – 8.2%

Eureka Management – 6%

Mobile Medicine – 50% JV



CR Brands

100% OWNED - IN DISTRIBUTION

GreenRock Botanicals
Soul Sugar Kitchen
DermaLeaf Skin Care

100% OWNED - IN DEVELOPMENT

The Terpistry
Freya Intimacy Oil
Best Buds Animal Health
Hippo Labs
Dog Walkers

OUT-LICENSING – CR BRANDS

Aphria (Canada)
Natural Ventures (Puerto Rico)

IN-LICENSING – OTHER BRANDS

MüV Products
Stokes
Absolute Extracts
Care by Design
Wagner Dimas



Management Team



Marc Lustig

Chief Executive Officer

16 years in healthcare, capital markets.



Greg Wilson

Chief Operating Officer

Co-Founder, Paramount Gold, 20+ years corporate strategist, financier.

A forward-looking management team with financial markets expertise, clear strategic vision and strong science guidance – backed by real-world cannabis know-how.



Francois Perrault

Chief Financial Officer

Former CFO of CSC Canada., 20+ years of senior management experience



Todd Marcotte

Chief Marketing Officer

Founder, Electric Medialand, 30 years in marketing, brand development.



Dave Vautrin

President, CR Brands

22 years of Consumer Product Goods operational experience.



Afzal Hasan

General Counsel

Broad experience with public listings and prospectus financing.

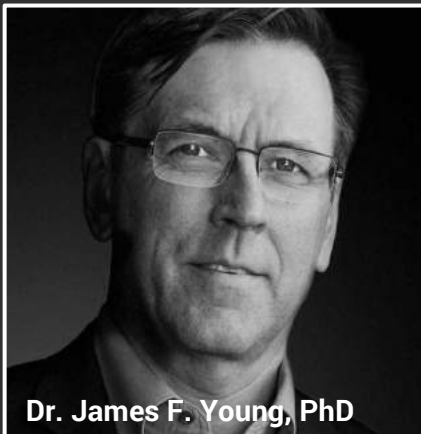


Michael Garbuz

Corporate Strategy and

Legal Counsel

Board of Directors



Dr. James F. Young, PhD

- 30 years in pharmaceutical development
- Chairman, Novavax, Inc. (Nasdaq:NVAX)
- Co-Founder MedImmune



Rob Harris

- 35+ years in Canada/US pharmaceutical industry
- CEO of Tribute Pharmaceuticals
- Former VP at Biovail Corporation



Peter Gundy

- Founder and CEO of Neo Material, which was acquired for \$1.3 billion
- CannaRoyalty audit committee chair



Marc Lustig

Chief Executive Officer
16 years in healthcare, capital markets



Greg Wilson

Chief Operating Officer
Co-Founder, Paramount Gold, 20+ years corporate strategist, financier

Capital Structure

41.95mm SHARES OUTSTANDING

Dilutive securities:

- ▶ 3.05mm incentive RSUs issued and outstanding, including 1.21mm currently vested
- ▶ 750,000 shares (\$1.5mm convertible debt with Aphria Inc, convertible at \$2/share)
- ▶ ~2.7mm warrants, exercisable at between \$1.50-2.05/share
- ▶ 2.5mm warrants, exercisable at \$4.50/share
- ▶ 1.0mm performance shares contingent on Dreamcatcher performance Apr-Oct 2017

52.3mm FULLY DILUTED SHARES

Previous financings:

- 04/15 - 10/15: **C\$2.1mm** @ C\$0.50/share
- 03/16: **C\$2.5mm** @ C\$0.75/share
- 06/16 - 07/16: **C\$4.7mm** @ C1.00/unit
- 10/16 (RTO): **C\$5.0mm** @ C\$2.00/share
- 02/17: **C\$15mm** bought deal financing @ C\$3.00/unit
- ▶ **C\$12.0mm** bridge capital available from Sprott Inc.
- ▶ Insider ownership ~**12%** (all subject to Lock-up/CSE Escrow)
- ▶ Insider + Acquired Assets + Strategic Corporate (Aphria) + Family Office + Institutional ownership > **80%**

CSE: CRZ

OTCQX: CNNRF

Corporate Summary



Diversified Holdings

- ▶ Across key high-value segments of the global cannabis market
- ▶ Focus on increasing exposure in new legal domestic and international markets
- ▶ Accretive investment structuring
- ▶ Leveraging pipeline opportunities and relationships to realize synergies between holdings



Revenue Growth & Cash Flow

- ▶ Transitioning into strong growth period
- ▶ Driven by consolidation of current assets, royalty streams, and other investments
- ▶ Strategic investments realizing strong returns as well as long-term value



Growing Portfolio of Premium Brands

- ▶ Superior *in-house* brands capturing key parts of both the dried herb and extract markets
- ▶ CR Brands can be sold or licensed to other jurisdictions, including global markets
- ▶ Wholly-owned marketing firm that develops innovative branding



Distinct Business Model

- ▶ Fully-integrated, active investor and operator in the legal cannabis sector
- ▶ Broad geographical footprint in North America with a differentiated business model from traditional Canadian LPs
- ▶ Diversification of strategic investments into growth ready assets