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**A VAST OPPORTUNITY
BEING OPENED UP BY
THE WHITE HOUSE**

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**FINCANNA CAPITAL'S
EXCLUSIVE
ROYALTY MODEL**

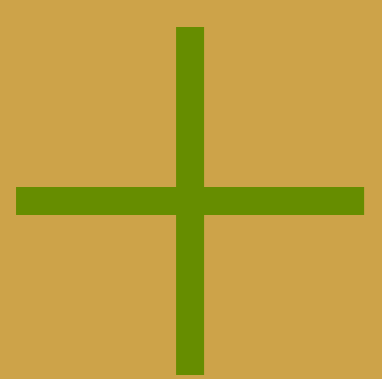
FINCANNA
CAPITAL CORP

**A UNIQUE WAY
TO CLAIM A
STAKE IN THE
SECOND GREEN
WAVE**

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**HARD WORK NOW
BEARING FRUIT**

Investee companies
beginning to pay royalties...



**AN EXCITING START
TO A MUCH BIGGER
OPPORTUNITY**

PAGE 10

A cannabis company like no other

EVERY COMPANY LIKES TO CLAIM IT'S UNIQUE.

And when it comes to seeking out smart investments, of course an investor wants to identify stocks with a well-defined and unique selling proposition that sets them apart from the crowd.

The trouble is, every company likes to think that the product or service it offers is one-of-a-kind. But in reality, few are.

So, when a firm doing something genuinely different does come along, it pays to take note.

FinCanna Capital ([CSE:CALI](#) | [OTC:FNNZF](#)) is one such company.

It's a business that operates in the booming U.S. cannabis industry. But it does not cultivate, manufacture, sell, or distribute marijuana products.

Instead, this firm leverages the success of others in the space by exclusively using what's known as a '*royalty model*'.

We'll reveal exactly what that means shortly, as well as how it works...

But, as you'll discover, **FinCanna Capital's** entirely unique position in the cannabis industry affords it many benefits.

Indeed, it could mean this undervalued Canadian company is on the verge of a significant transformation.

But to make the very most of this opportunity, investors may have to act quickly.

With a clear tailwind coming from the increasing relaxation of U.S. cannabis regulations, the window for getting in on the ground floor won't remain forever. Some larger stocks in the sector have already seen their shares soar over the last few months.

The good news is, smart investors who are quick to move on **FinCanna Capital** today could position themselves just ahead of take-off. Incredibly, the company's market cap still looks very undervalued.

To understand in more detail why this move could become extremely profitable, let's look at just how strong the outlook for the cannabis industry really is right now...

A new ‘Green Wave’ being triggered from the White House

Kamala Harris, the new U.S. Vice President, has had a mixed past with cannabis.

At times she’s seemed to be positively against it. But now she is ‘*all in*’ when it comes to its legalization.

In fact, she is one of the lead sponsors of the MORE Act, which looks to decriminalize marijuana in the U.S., and she even tweeted this not so long ago:

“...the Senate must pass my Marijuana Opportunity Act to legalize marijuana at the federal level...”

Now Harris has the President’s ear—whose approval is the only real hurdle left for the MORE Act—it’s not so much a case of ‘if’ cannabis will be decriminalized or legalized in the States, but ‘when’.

Many even expect the plant to be removed as a Schedule 1 Controlled Substance and cannabis banking restrictions to be relaxed before the 2022 midterms.



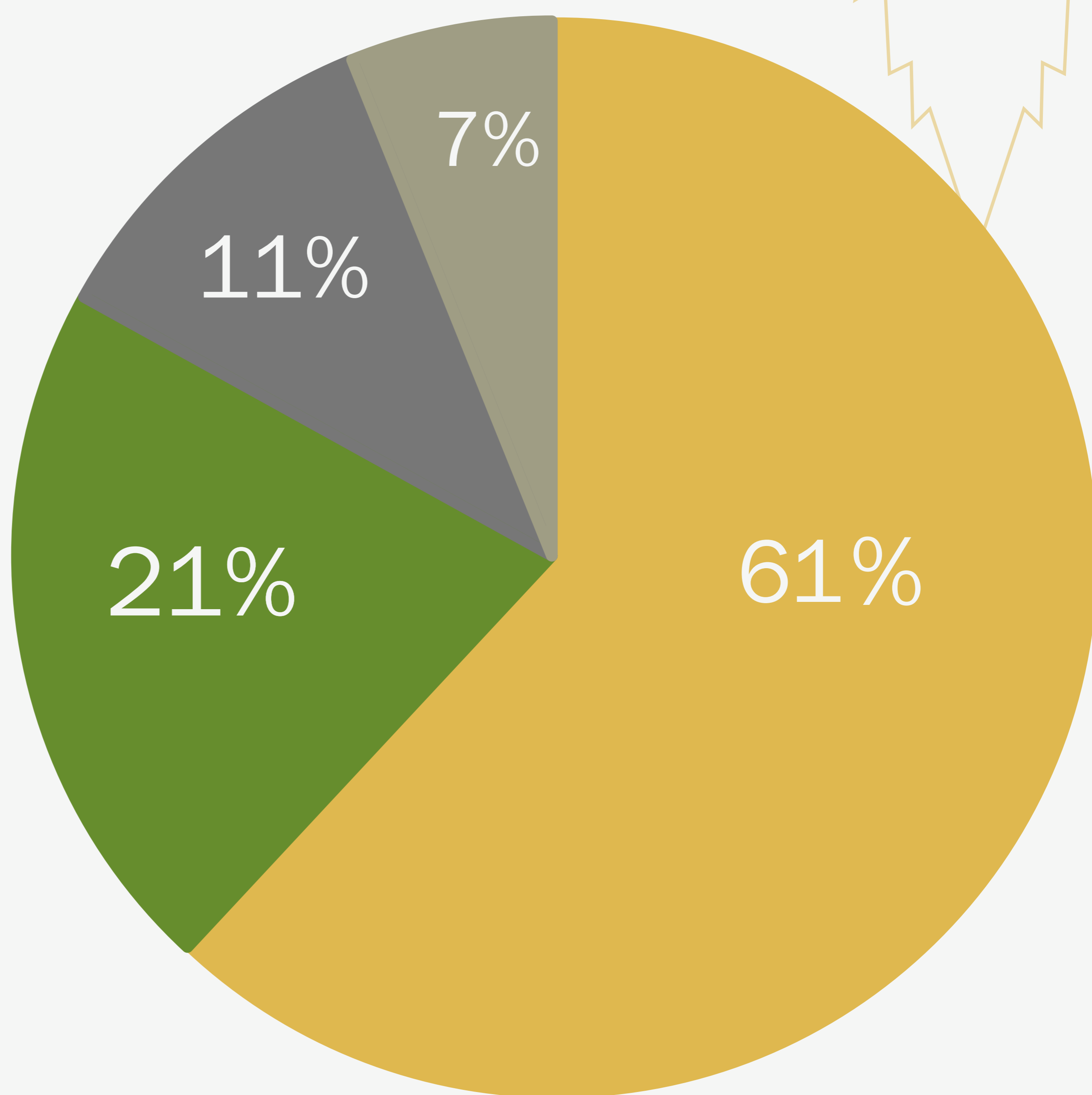
It's not rocket science to realize that if Washington legalizes cannabis in all 50 U.S. states, the market would skyrocket.

We saw it happen in Canada several years ago. But here, we're talking about an entirely different scale. In fact, some estimates believe the legal U.S. cannabis market alone will rise to US\$43.9 billion by 2024.

Frankly, this all gives **FinCanna Capital** more than a tailwind; it's an entire jumbo jet engine propelling it forward.

But it's not just the fact that the market itself is so primed for expansion that makes **FinCanna Capital** so attractive right now. It's also that it is doing something no one else in this space is doing.

Worldwide Legal Cannabis Sales 2019



FinCanna Capital's **unique cannabis royalty model**

AS WE'VE POINTED OUT ALREADY, FINCANNA CAPITAL IS A RARE TYPE OF CANNABIS COMPANY.

It doesn't cultivate. It doesn't manufacture. And it doesn't sell or distribute. Instead, it provides seed capital and financial support to those companies that do operate in these areas.

Rather than receiving equity in these companies—and running the risk of its shares being diluted when the start-up grows—it receives royalties from the seed company's revenues. A direct share of top line revenue, in other words.

FinCanna Capital can negotiate extremely good deals because

it gets involved so early in these private start-ups' lives. And because its royalty positions are equal to a fixed percentage of revenues, their value increases in line with the investee company's growth.

This can be extremely valuable.

Even better still, there is no additional cost to **FinCanna Capital** for these growing revenues, so margins sit close to 100%.

The royalty model is great for FinCanna Capital, but it's also excellent for shareholders.



You see, investors in **FinCanna Capital** essentially get a stake in various private companies they couldn't otherwise invest in.

Not only that, but rather than being invested in one single cannabis start-up that might not make it, they are diversified across a much broader and more diverse portfolio of names.

Then there's the fact that **FinCanna Capital** is making money. In fact, unlike so many cannabis start-ups, the company expects to be operationally profitable later this year.

Ultimately, this is a business with a clear mission and a clear path to ever-increasing revenue in an industry that is about to take-off in a big way.

The many benefits of royalty agreements



Non Dilutive – Allows owners to preserve their equity



Attractive Cost of Capital – Can be significantly lower than issuing equity



Flexible – Less restrictive than debt, tailored to the needs of the businesses



Long-term Partnership - No exit required, economic interests aligned and FinCanna entitled to a board seat



Tax Efficient – Royalty payments are made before tax



Autonomy – Owner/Operators maintain control and operating autonomy

Hard work now paying dividends

It's worth pointing out that this isn't a *'what if'* scenario...

FinCanna Capital's team has been putting in the groundwork behind the scenes for the past three years.

They've already been working with three specific cannabis start-ups and have set up royalty agreements that are now beginning to hit the road running.

For example, one company is a fully-licensed cannabis product manufacturer targeting California sales that has already onboarded many big brands. It has an 8,300 sq. ft facility in Sonoma County, California built to FDA standards and a growing customer base that is extremely promising for the future.

But here's the really exciting part...

FinCanna Capital has a royalty deal that will pay it a minimum of 20% of the company's top line revenue or 70% of its after tax net income whichever is greater as sales come rolling in.

No share dilution.

No extra costs.

No need for any additional risk.

That's the beauty of the royalty model.

And that's just one of the companies **FinCanna Capital** has on its roster.

Another firm it helped to fund is California's first company to be Fire Marshall-approved to manufacture Butane Hash Oil, used to produce various high-end cannabis products.

It's a multi-award-winning enterprise located in Palm Desert, California and it too boasts state-of-the-art facilities for extraction and manufacturing. Here, **FinCanna Capital** has a royalty deal of 10% of top line revenue that has already begun to payout. And now, it has increased this even further by selling manufacturing equipment to the company that increases its current volume capacity by as much as 500% with an additional royalty to FinCanna.

Finally, the third company it has backed is also pretty unique.

It provides state-of-the-art compliance and point of sale software to cannabis companies. And because of **FinCanna Capital's** hands-on approach, it is set to receive 100% of revenues as this

Add up the potential short-term royalty value of these three companies alone, and **FinCanna Capital's** sub-C\$20 million market cap starts to look very cheap.

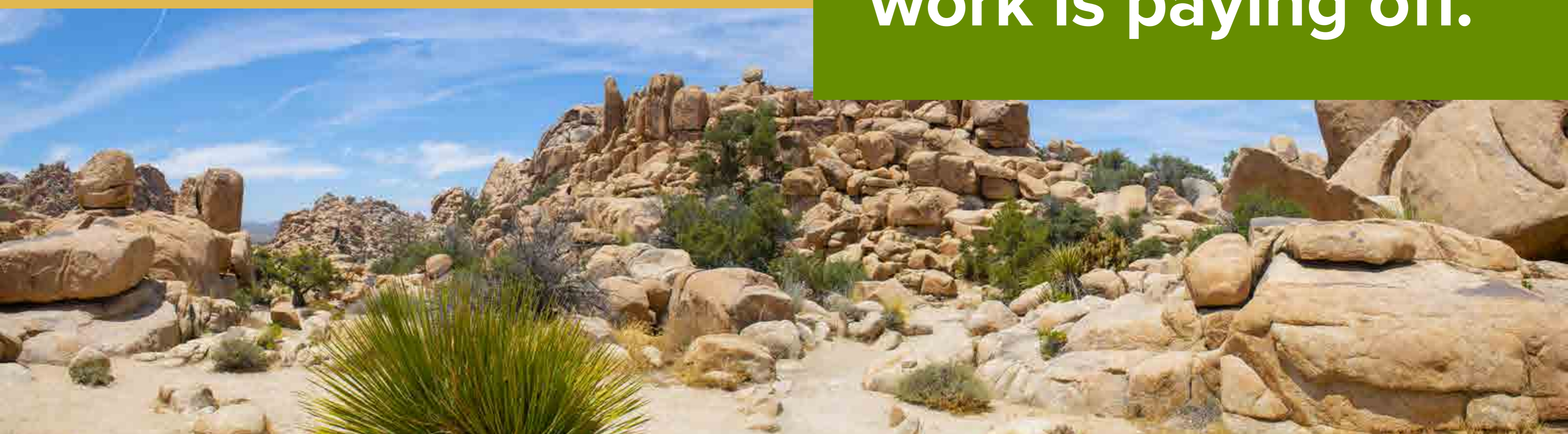
Take the first company mentioned as an example.

This firm's revenues are moving towards their approximate capacity of US\$45 million – or C\$60 million. And **FinCanna Capital** is entitled to a minimum of 20% of the company's top line revenue or 70% of its after tax net income whichever is greater stake worth a minimum of US\$9 million – or C\$12 million – a year.

That's potentially an annual payout that exceeds its current value from just one of its royalties.



FinCanna Capital has been putting in the hard work to help these private companies, and now that hard work is paying off.





We are invested in three private cannabis businesses in California. We've worked through their growing pains, and we took the risk of investing in them early, so we are now in a position to make excellent returns on the money we put into our investments.

Chief Executive
Andriyko Herchak

FinCanna Capital Corp.

	Number of Shares	\$ Value on Exercise
Shares Issued & Outstanding	100,289,734	n/a
Warrants	36,425,000	\$10,927,500
Options	6,850,000	\$2,712,500
Shares Issuable upon Conversion of Debenture	46,433,333	\$6,965,000
Total Shares (Fully Diluted)	189,998,067	\$20,605,000

The beginning of a much bigger story

The royalties generated by **FinCanna's** first three investee companies only marks the start of a much bigger opportunity for this unique cannabis player.

The bottom line is, a team of industry experts leads this company.

There's Chairman of the Board **Morris L. Reid**, a globally-recognized corporate and political strategist. Reid is also a partner at Mercury, a public strategy firm representing the world's most successful companies, advocacy groups, governments, and political parties.

There's Chief Executive **Andriyko Herchak**, who himself has over 20 years of executive leadership experience and was the former Chief Financial Officer of an international sales and marketing company generating US\$1.4 billion in annual sales.

And there's Director **Holger Heims**, who has been involved in international M&A and private equity investments for more than 25 years.

As **FinCanna Capital** grows, these individuals have the insight and expertise to identify many more start-ups that have what it takes to dominate America's growing cannabis market.

INDUSTRY
EXPERTISE

INDUSTRY
EXPERTISE

FinCanna Capital's game-changing take-out strategy

The royalty model **FinCanna Capital** has adopted is positive for many reasons, as we've seen. But there is another part of the plan we've not explored that makes it even more lucrative.

We're talking here about what happens when one of the companies **FinCanna Capital** has funded gets bought out.

You see, as the cannabis industry continues to grow over the next few years, it's expected that we will see a lot of activity where mergers and acquisitions are concerned. This is what happens in most markets when they take off...

As the mainstream catches wind of what's happening, and start-ups become more and more successful, bigger players move in to command the space. It's much easier and much

quicker to do that if they just take over the current pioneers.

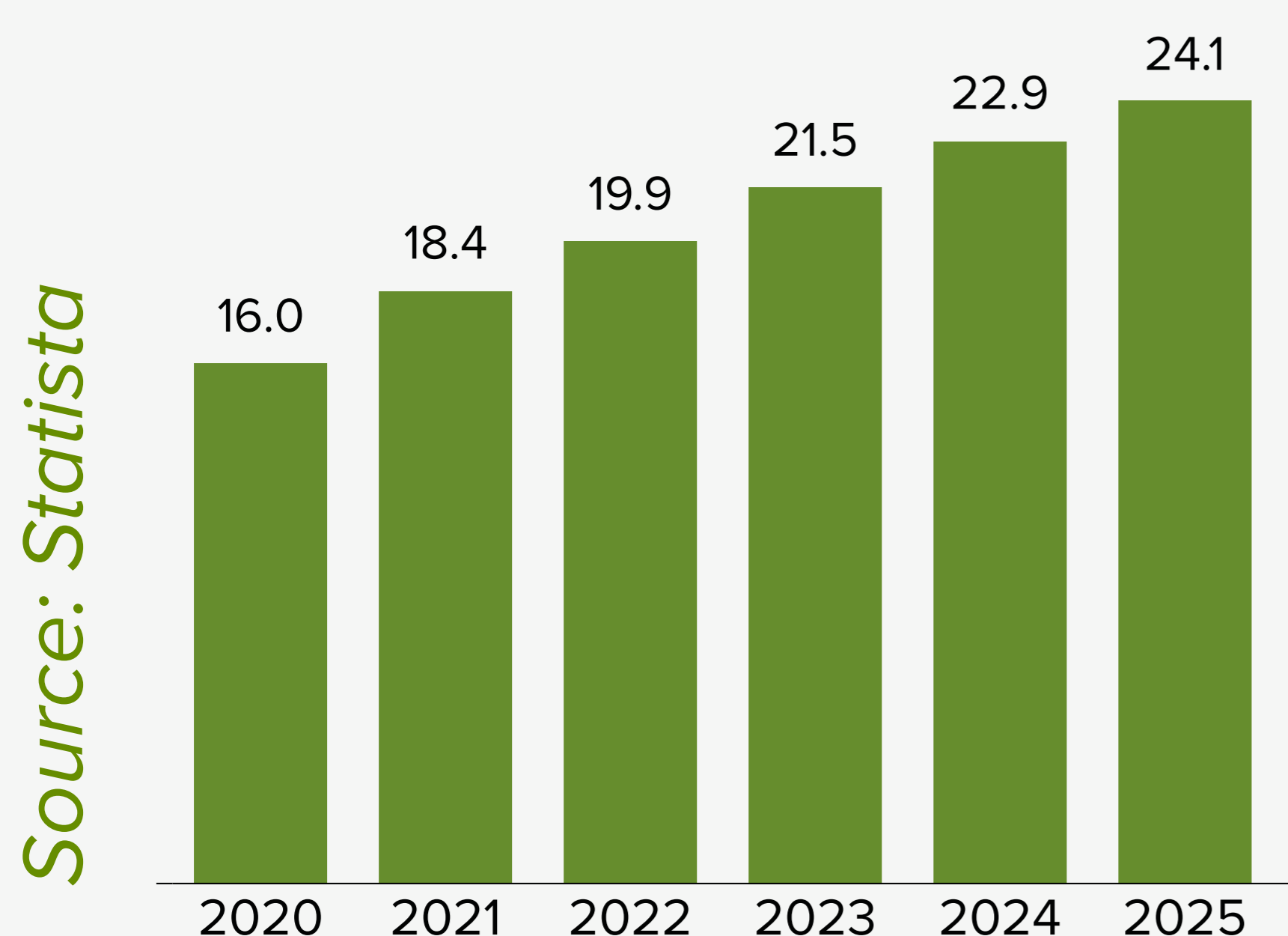
FinCanna Capital is confident that its investee companies will inevitably attract such attention, and that's why its royalty agreements are structured to accommodate such situations...

When one of the start-ups is identified as a take-out target and is sold to another company, **FinCanna Capital** receives a significant portion of the sales price.

Sounds good, but to see just how good this is, let's put it into a little more context. In fact, let's take the first company we mentioned earlier in the report, the cannabis product manufacturer.

In this case, **FinCanna Capital** receives receives a minimum of 20% of the company's top line revenue or 70% of it's after tax net income whichever is greater, which is terrific.

Projected growth of US legal marijuana sales (billion U.S. dollars)



But it also gets a massive 70% share of any sale price from this investee.

So, let's say that the company is sold at two times revenue, which is not unusual the industry. And let's say, at full capacity, that company's revenue is running at approximately C\$60 million a year. It means **FinCanna Capital** would receive a windfall of 70% of the C\$120 million in a single hit.

That's C\$84 million.

It's a big chunk of change by any measure, but it's especially big considering **FinCanna Capital's** current market valuation.

And given the firm is also positioned to receive a large percentage of the potential take-out price of its other two investee companies as well, the potential for significant investor paydays only grows.

One only has to look at the multi-billion-dollar valuations carried by many of the royalty companies operating in the mining space during the recent commodities bull market to see the sort of value this strategy can generate when applied in a rapidly-escalating sector.

And don't forget, this is just the long-term play.

The fact remains that in the short to medium term, **FinCanna Capital** can sit back and enjoy a constant stream of revenue from a variety of private companies who themselves are happily riding the booming cannabis market.



We earn revenues from royalties, but the big win here for us is on the exit. All of us have been involved in deals that have had big exits, and we think five years out the investee companies we have backed at **FinCanna Capital** are primed to go the same way.

Chief Executive
Andriyko Herchak

A cannabis investment that makes sense

The future looks to be extremely promising for **FinCanna Capital** from where it sits now. As CEO Andriyko Herchak sums up:



If U.S. cannabis companies follow those in Canada with very high valuations down the road, then we expect to see many things in the U.S. cannabis space just melt-up in such a big way when the banking legislations or other regulations change. This whole industry is opening up, and **FinCanna Capital** allows people to get in on something that's a very low valuation now with great upside.”

Make no mistake about it, Herchak is right when he says the U.S. cannabis space is due to ‘melt-up’. Indeed, we’re at the tipping point of what could be an unprecedented legal marijuana boom, both in the U.S. and around the world.

As this materializes, FinCanna Capital is doing something in the space that no other company is doing, giving it a genuine edge in an otherwise jam-packed industry.

And when you do the math on this and understand the sheer amount of potential revenue on the horizon,

the company’s current valuation looks very small by comparison.

With a perfect storm forming here, this is the ideal time for investors to get in and claim a stake in what could become a go-to source of funding for start-ups in the cannabis space.

But remember...

Washington could trigger the next move any day now, so it could only be a short time until the rest of the market wakes up to the huge upside FinCanna Capital currently offers.



Ten Simple Reasons to add FinCanna Capital to your portfolio today

1

The company has a robust footing in California, which is America's leading cannabis state on track for US\$7.2 billion of sales by 2024.

2

Its market cap is due a re-rate as Democratic leadership opens up the cannabis market and prompts a second Green Wave on the market.

3

The one-of-a-kind royalty-based approach gives FinCanna Capital investors exposure to a unique and diversified pool of private market opportunities.

4

The company has agreed on excellent royalty terms with three rapidly growing, high-quality California-focused cannabis firms.

5

Its companies are on the path to paying growing royalties as they mature, putting the company on track for operational profitability later this year.



6

The expected surge in M&A activity over the medium term could prompt takeover of any FinCanna Capital investee company, potentially resulting in massive paydays for FinCanna and its shareholders.

7

The royalties generated are at a minimum expense to FinCanna Capital, meaning the vast majority falls straight to its bottom line.

8

Royalties have unlimited upside, growing proportionally in line with an investee company at no added expense to FinCanna Capital.

9

It is led by an expert management team of seasoned cannabis investors who can spot tomorrow's big opportunities today.

10

As revenues increase FinCanna Capital will be able to identify other up-and-coming start-ups that could generate even more value in the future.

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