

A close-up photograph of a cannabis plant with green serrated leaves and a developing flower bud. The background is softly blurred.

Legal Cannabis and its Innovation Dynamics

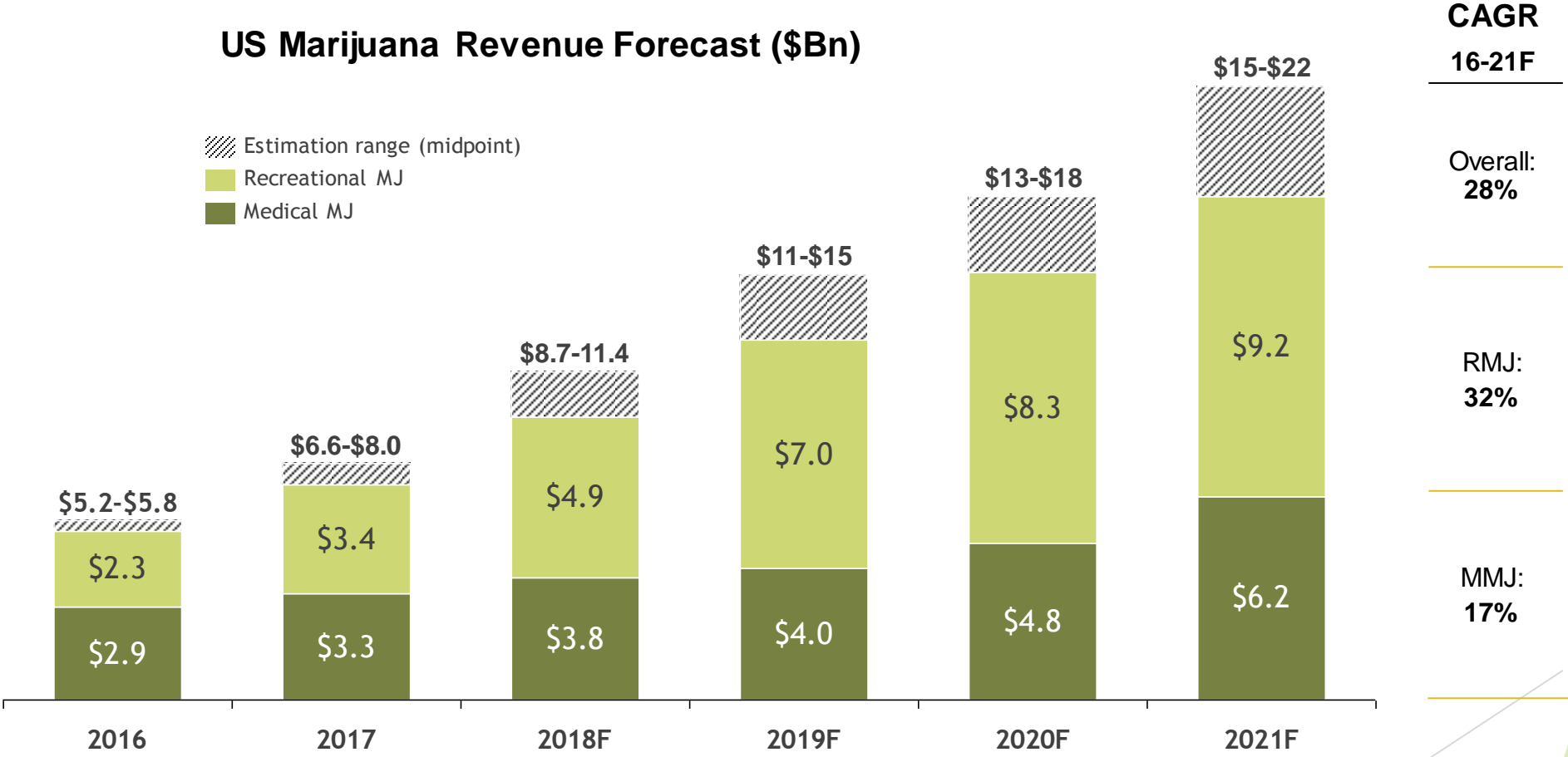
CleanTech Forum

2018

David Donnan, Sr. Partner A.T. Kearney

US legal Marijuana predicted to grow at 28% CAGR through 2021

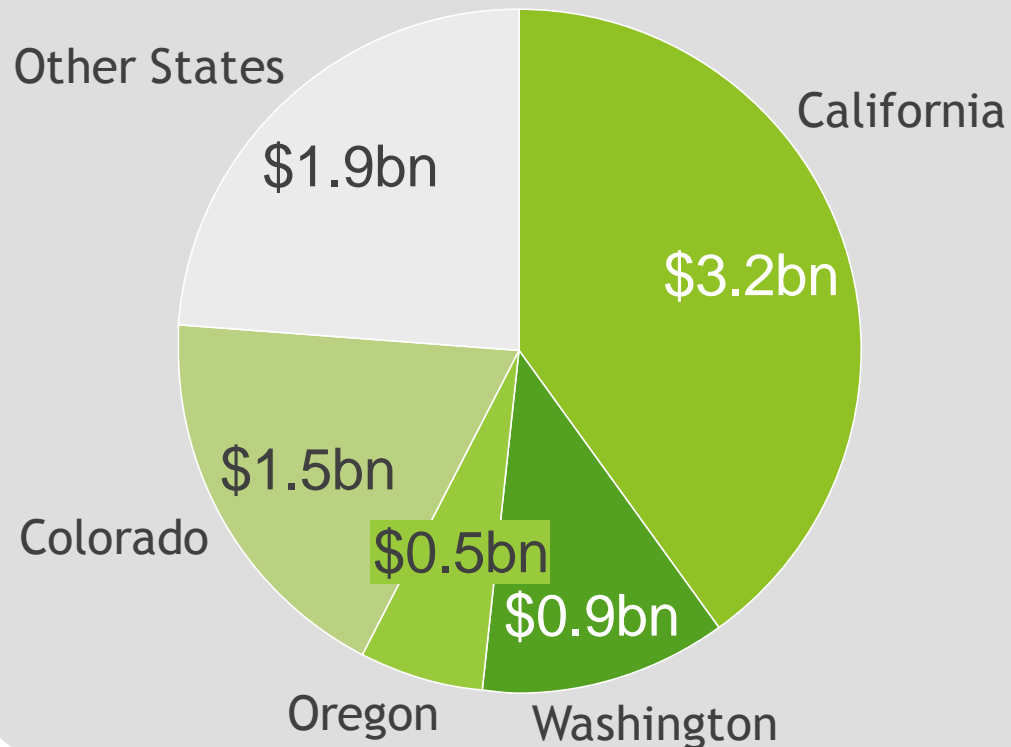
US Marijuana Revenue Forecast (\$Bn)



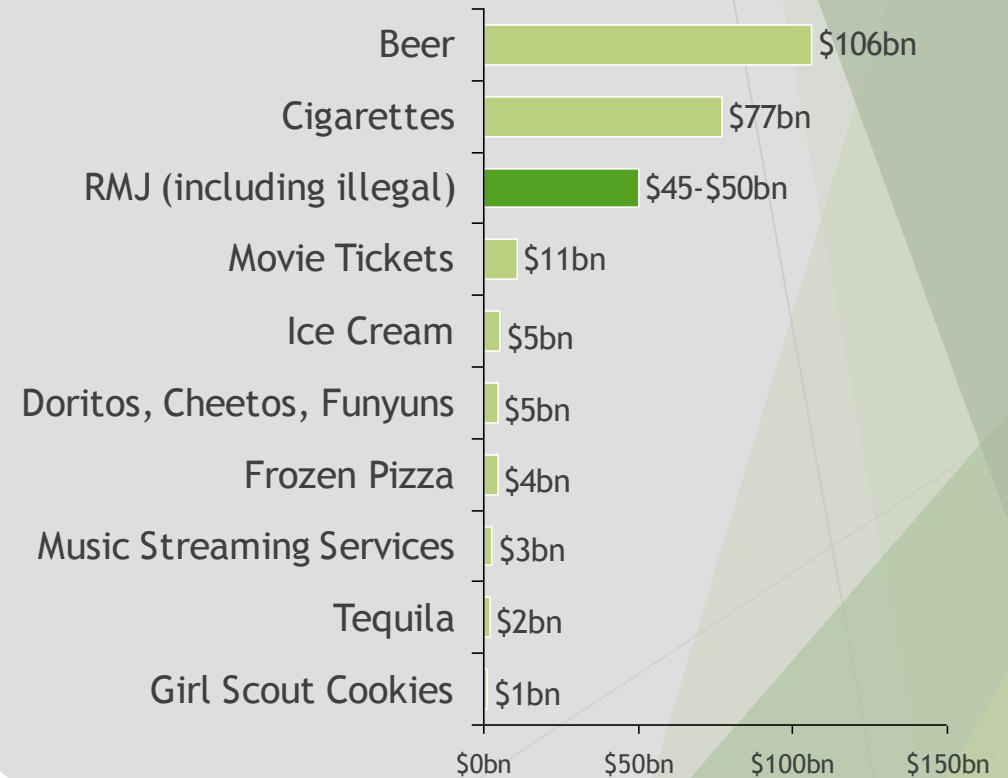
Source: AT Kearney, mjbizdaily.com (division of Anne Holland Ventures) 2017 report, medicalmarijuana.procon.com, Ackrell Capital 2017 Report

The US legal market was \$8bn in 2017, and is projected to grow rapidly in 2018

State-Legal Market: \$8bn



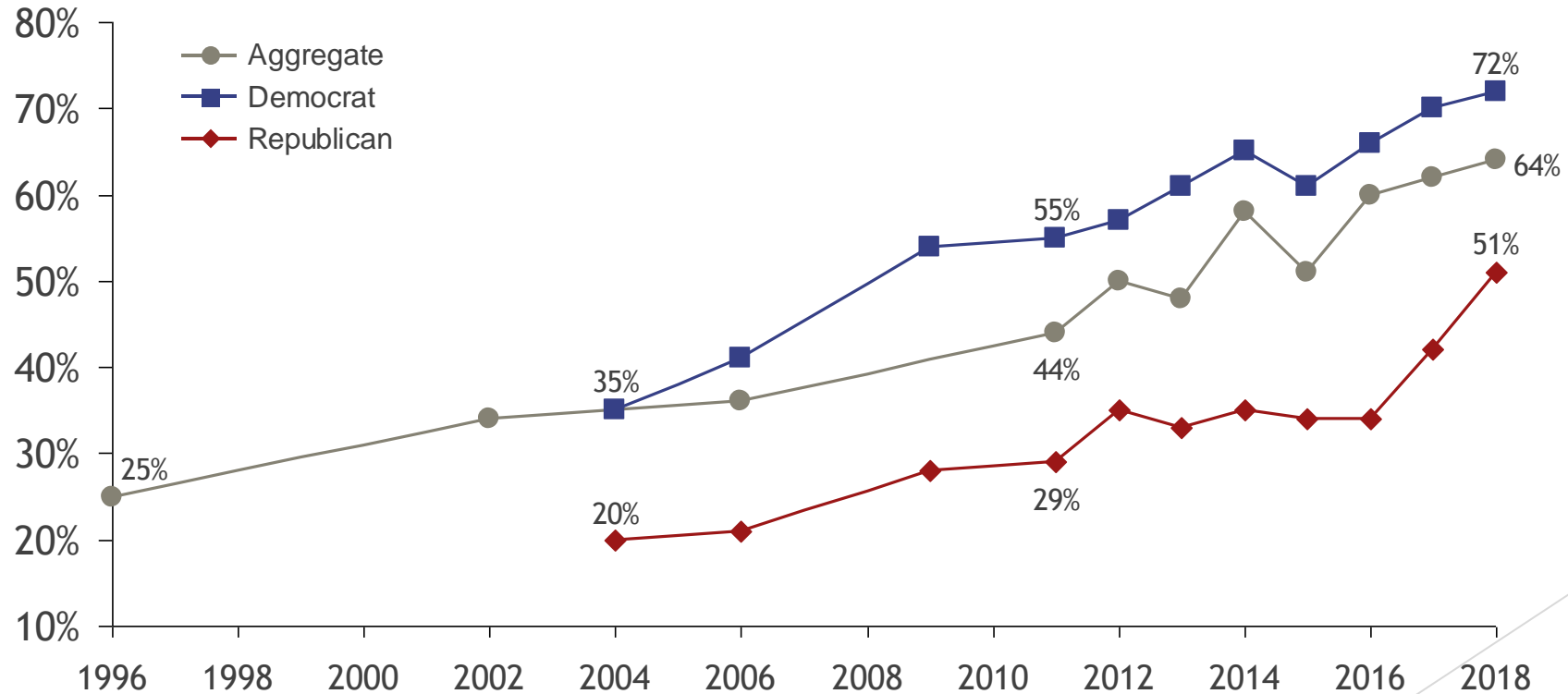
RMJ Total Market: \$45-\$50bn



Aggregate public support is now >60%

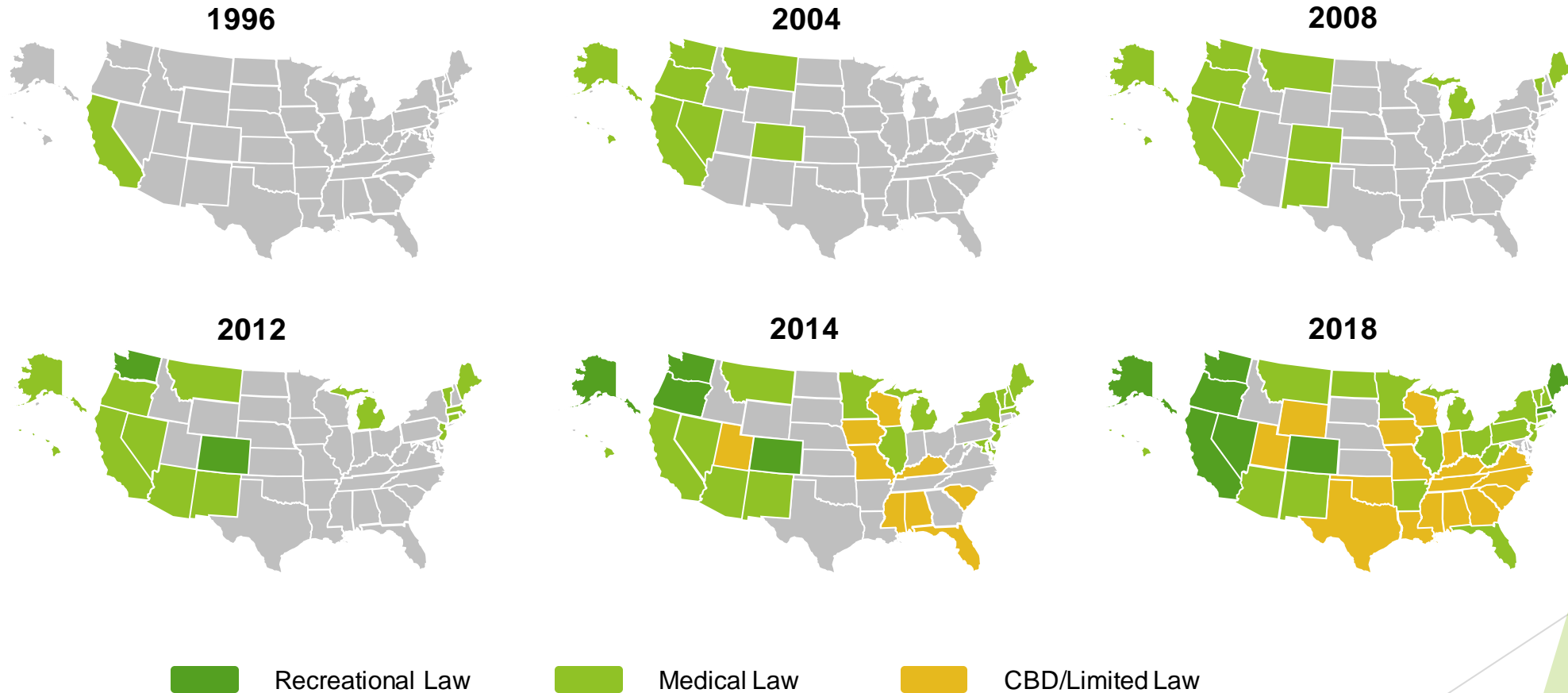
US Public Opinion:

“Do you think the use of Marijuana should be made legal, or not?” - % Yes, legal



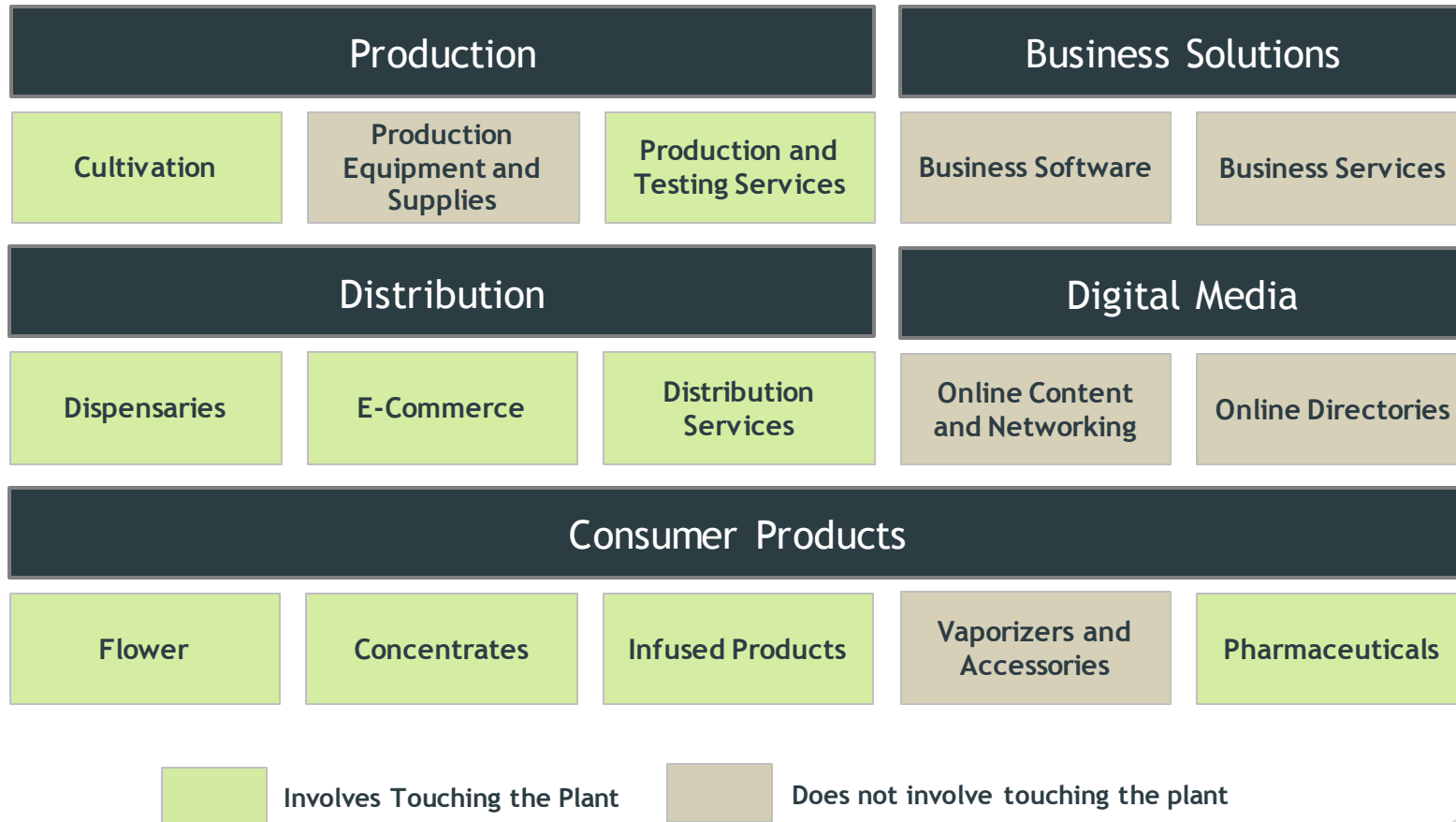
And gaining state-wide support

State-level legalization trend ('96-'18)



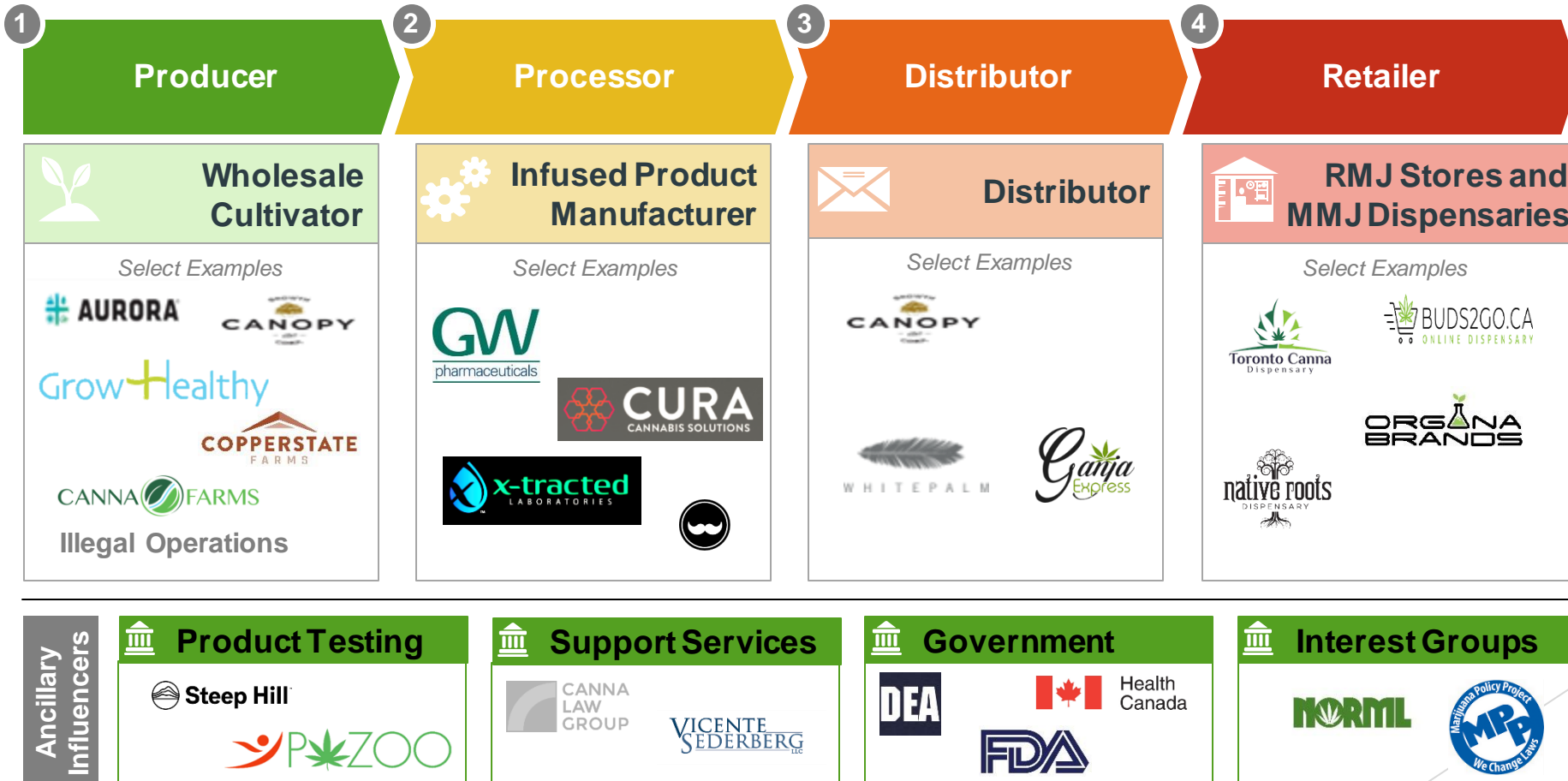
Many segments are needed to support the industry

Cannabis Industry Segments



Companies are trying to enter the market faster than government can license them

MJ Value Chain and Select Players

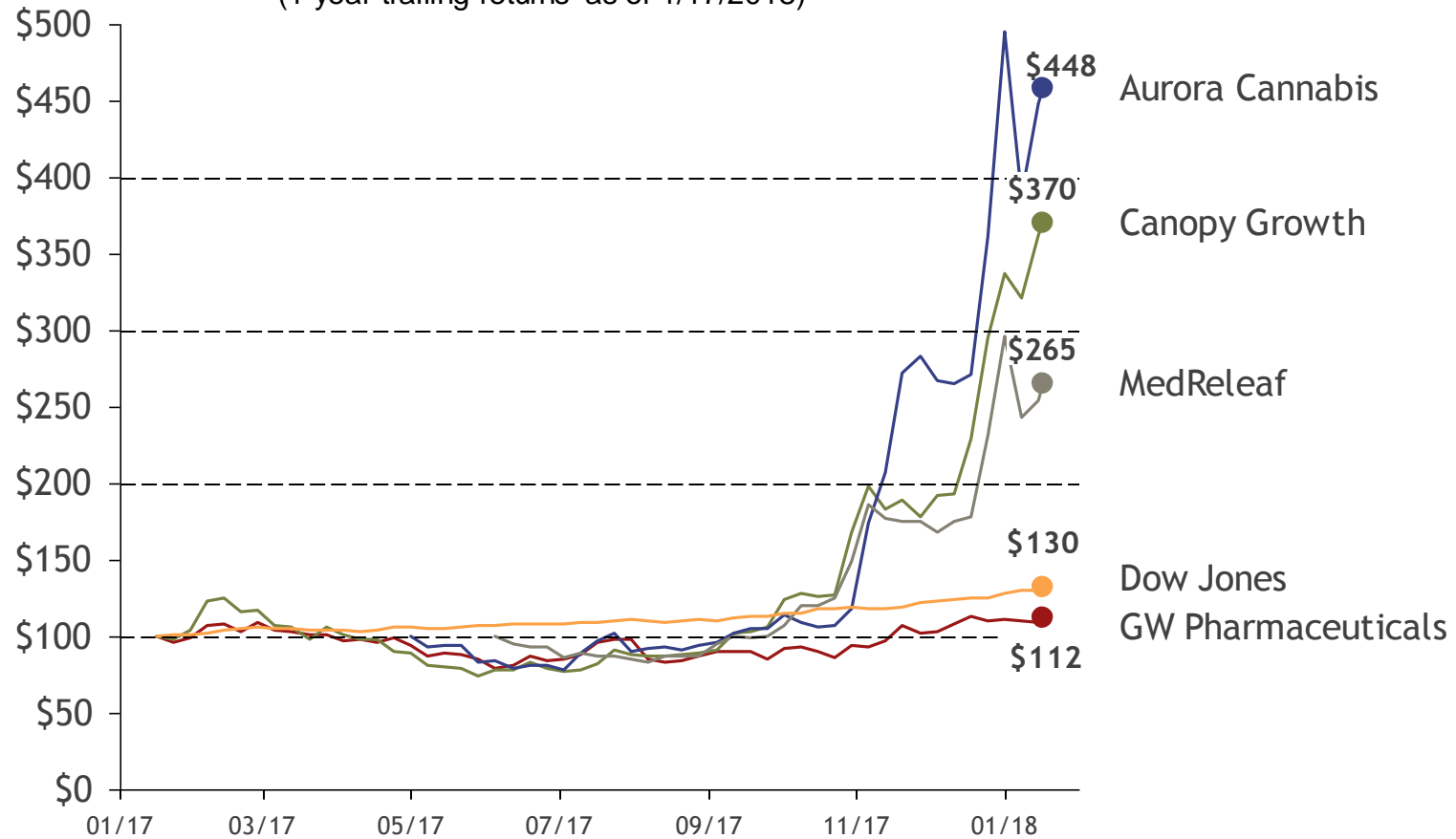


Note: Many players are vertically integrated across the value chain
 Source: Growersnetwork.com, company sites

Market valuations have been explosive

Value of \$100 investment

(1 year trailing returns as of 1/17/2018)



Market Cap (\$bn)

COB 1/17/2017

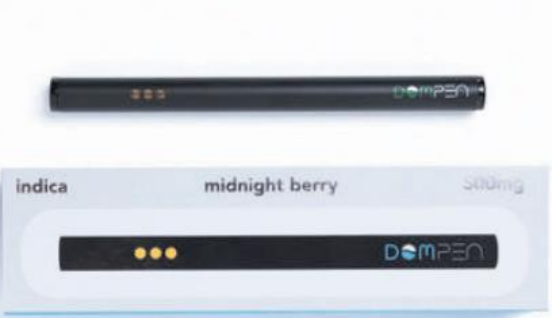
Aurora
(ACB.TO)
\$5.5bn

Canopy Growth
(WEED.TO)
\$7.1bn

MedReleaf
(LEAF.TO)
\$2.3bn

GW Pharmaceuticals
(GWPH)
\$3.7bn

New product innovations are expected



FIREBOX

A variety of energy applications

Proportion of Energy Consumption by End Use

(Indoor Marijuana Cultivation)

