



# AUORA®

**Creating a Preeminent Global Cannabis Company**

OCTOBER 2018

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# Investment Highlights

1. Unique Horizontally Diversified, Vertically Integrated Operations
2. Expanding International Medical Distribution Channels
3. Technologically Advanced, High-Yield Production Facilities
4. Industry Leading Focus On Science & Research
5. Experienced and Well-Connected Management Team

PRODUCTION CAPACITY:

**>500,000** Kg / Annum

SALES & OPERATIONS:

**19** Countries / **5** Continents

CULTIVATION COMPETENCY:

**11** Facilities Globally

ENHANCEMENT:

**~40** PhDs & MScs

BENCH STRENGTH:

**>1,500** Employees



# A Platform for Accelerated Domestic & International Growth

Industry Leading Scale



Low Production Costs and Industry Leading Yields



Extensive Distribution Channels



Proficient M&A Capabilities



Proven Execution & Agility Across Value Chain



Enhanced Diversification



Award Winning Products and Brand Leadership



Innovation and R&D Excellence



Business Integration Expertise



Enhanced Capital Markets Profile



# Industry Leading Scale

## 11 Production Facilities – Over 500,000 kg/year Funded Capacity



	LOCATION	SIZE	CAPACITY	STATUS	LICENSE	
					CULTIVATION	SALE
<b>Aurora Mountain</b>	Mountain View, Alberta, Canada	55,200 sq.ft.	4,800 kg/year	Operating since 2015	●	●
<b>Aurora Vie</b>	Pointe Claire, Quebec, Canada	40,000 sq.ft.	4,000 kg/year	Operating since June 2018	●	●
<b>Aurora Eau</b>	Lachute, Quebec, Canada	48,000 sq.ft.	4,500 kg/year	Facility construction completed	●	
<b>Aurora Sky</b>	Edmonton, Alberta, Canada	800,000 sq.ft.	>100,000 kg/year	Full facility to be completed by end of 2018	●	●
<b>Aurora Sun</b>	Medicine Hat, Alberta, Canada	1,200,000 sq.ft.	>150,000 kg/year	Currently under construction. Estimated completion H1 2020		
<b>Aurora Nordic 1</b>	Odense, Denmark	100,000 sq.ft.	8,000 kg/year	Construction complete. First harvest expected fall 2018		
<b>Aurora Nordic 2</b>	Odense, Denmark	1,000,000 sq.ft.	>120,000 kg/year	Currently under construction. Estimated completion H1 2020		
<b>CanniMed</b>	Saskatoon, Saskatchewan, Canada	97,000 sq.ft.	19,000 kg/year	Operating since 2004. Upgrading to EU GMP specifications	●	●
<b>MedReleaf Markham</b>	Markham, Ontario, Canada	55,000 sq.ft.	7,000 kg/year	Operating since 2014	●	●
<b>MedReleaf Bradford</b>	Bradford, Ontario, Canada	210,000 sq.ft.	28,000 kg/year	Expansion underway from 9,500 kg to 28,000 kg/ year. Expected to be completed by end of 2018	●	●
<b>MedReleaf Exeter</b>	Exeter, Ontario, Canada	1,000,000 sq.ft.	105,000 kg/year	Land and building purchased		

1. Aurora has the option to incrementally increase its ownership interest in TGOD to over 50% upon TGOD achieving certain operational milestones.  
 2. The sum of Aurora and MedReleaf's announced funded capacity is 430,000+ kg and 140,000+ kg per year, respectively; total funded capacity of Aurora includes proportionate share of TGOD (23,000 kg per annum).  
 3. Based on first harvest.

# Aurora “Sky Class” Facilities

- Massive scale
- Closed air system
- Highly automated
- Complete environmental control
- Specialty glass
- Strategic geographic locations
- Advanced disease, pest and plant stress prevention systems
- Customized irrigation and nutrition systems

Anticipated production costs well below \$1 per gram

# Extensive Distribution Channels in Canada and Internationally



**\$9B<sup>3</sup>**/year  
Canadian Market  
Opportunity

**\$180B<sup>4</sup>**/year  
International Market  
Opportunity

1. Aurora Nordic will focus on the cultivation and sales of cannabis in Denmark, Sweden, Norway, Finland and Iceland through Aurora's wholly-owned subsidiary, Aurora Deutschland GmbH.  
2. Through the planned acquisition of ICC Labs, Aurora gains entry to Uruguay and Spain.

3. Deloitte, "Recreational Marijuana Insights and Opportunities".  
4. Eight Capital, "The Value Case for Investing in the Cannabis Sector".

# Generating Value through Scientific Leadership

## Core Research Themes

01

### ANALYTICAL SCIENCE

Cannabinoid and terpene profiling  
Cannabinoid and terpene isolation & purification

02

### PLANT SCIENCE

Anandia + growth experiments, plant health, extraction

03

### DISCOVERY SCIENCE

Pre-clinical studies  
Cannabinoid application

04

### CLINICAL SCIENCE

Health outcomes  
Economic impact  
Targeted indications

## Industry Leading Science & Research Teams



Increasing yields & generating higher margin products.  
Industry leading combined science team with ~40 PhDs and MScs



# Planned Acquisition of ICC Labs

## Rapidly Expanding Aurora's International Footprint in the Large South American Market

### Significant expansion of low-cost production and processing capacity:

- Estimated total production capacity over 450,000 kg per annum
- Two greenhouse facilities
- Three outdoor grow sites, with a potential total area of over 800 acres
- Two facilities currently under construction, adding 124,000 square feet of greenhouse production in Colombia and a 1,000,000 sq ft facility in Uruguay

### Science, High-margin Products and Strong Genetics:

ICC offers a broad portfolio of dried flower and higher margin products, including tablets, softcaps, ointments, creams, drops, infused syrups, and patches. ICC is constructing South America's first state-of-the-art cannabis science laboratory, designed to the highest international standards and in compliance with applicable GMP standards. The facility will provide an early mover advantage over other producers in South America to drive sales to international cannabis markets.

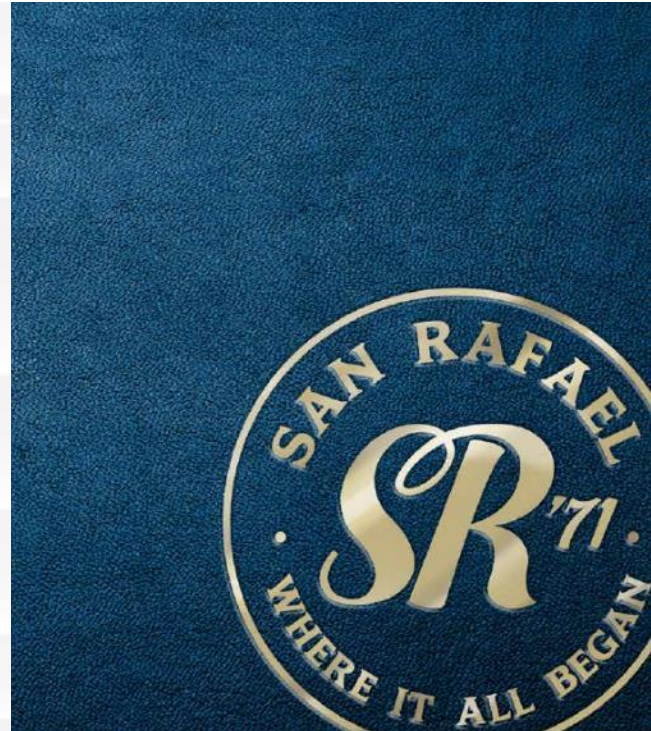
### Strong Foundation to Capitalize on the Significant Global CBD Wellness Market Opportunity:

Uruguay is the only country where regulations currently permit the cultivation of CBD-rich hemp on a commercial scale, allowing licensed producers to grow hemp with THC concentrations of up to 1%.



Diversified Medical & Adult Consumer Use Product Offerings

# Strong Adult-Consumer Use House of Brands



Elevated and Enhanced Cannabis Experiences with Quality Products and Information

# Execution & Agility Across the Value Chain

**ALCANNA**

Rapid development of a Canadian, cannabis retail network



Consistent, efficient and high-quality cannabis extract production



Expands Aurora's smoke-free product offering for customers



Provides access to a low-cost raw material for the potential production of CBD extracts



Develops Aurora's international operations in Australia

CAPCIUM inc.

Expands Aurora's differentiated, higher-margin product offerings



Provides exclusive access to CTT's product development pipeline, including oral thin film wafers



Cost efficient and environmentally friendly waste disposal technology



Positions Aurora to participate in the emerging craft cultivation market and Chooms Western Canada retail strategy



Aurora has the right to purchase up to 20% of TGOD's annual production of organic cannabis from TGOD's Ancaster and Valleyfield facilities

**\$326.6**

Total amount invested to date

**\$698.6**

Fair market value (June 30, 2018)

**\$372.0**

Unrealized gain on investment

# Vertical Integration with Horizontal Diversification

A Global Company with Expertise Across the Value Chain

## ACQUISITIONS

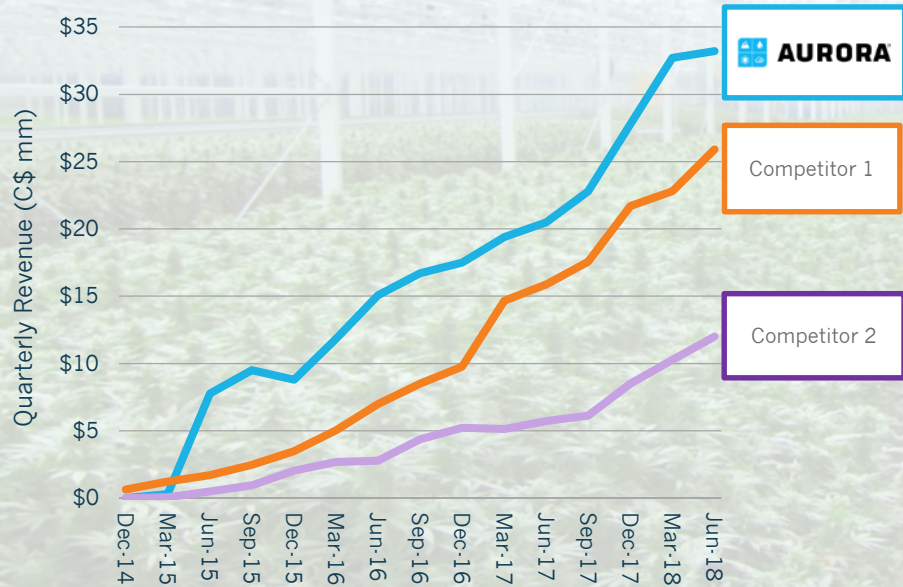


## STRATEGIC INVESTMENTS



# Rapid Corporate Development

## Quarterly Revenue Development



## Patient and Cannabis Production Development



1. Aurora (Pro Forma CanniMed and MedReleaf).

# Q4 & FY 2018 Results

	\$ in Canadian millions, unless otherwise noted	Q4 2018	Q4 2017	Change (%)	FY 2018	FY 2017	Change (%)
Financial:							
Revenue		<b>\$19.1</b>	\$16.1	19%	<b>\$55.2</b>	\$18.1	206%
Gross Margin on Medical Cannabis		<b>74%</b>	59%	25%	<b>65%</b>	56%	16%
Biological Inventory		<b>\$41.0</b>	\$11.8	247%			
Cash cost of Sales (per gram of dried cannabis sold)		<b>\$1.87</b>	\$1.80	4%			
Cash Cost to Produce (per gram of dried cannabis sold)		<b>\$1.70</b>	\$1.53	11%			
Operational:							
Average Net Selling Price of Dried Cannabis		<b>\$8.02</b>	\$7.03	10%	<b>\$7.65</b>	\$6.47	18%
Average Net Selling Price of Cannabis Oil		<b>\$13.52</b>	\$12.83	5%	<b>\$13.68</b>	\$17.91	(24%)
Kilograms Produced		<b>2,212</b>	1,206	83%	<b>5,632</b>	3,037	85%
Kilograms Sold		<b>1,617</b>	1,353	20%	<b>5,022</b>	2,382	111%

# Checking All the Boxes - A Platform for Accelerated Growth



**Industry Leading  
Scale**



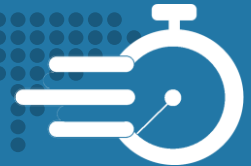
**Low Production Costs  
and Industry Leading  
Yields**



**Extensive Distribution  
Channels in Canada  
and Internationally**



**Proficient M&A  
Capabilities**



**Proven Execution &  
Agility Across Value  
Chain**



**Enhanced  
Diversification**



**Award Winning Product  
Lines Support Brand  
Leadership**



**Innovation and R&D  
Excellence**



**Business Integration  
Expertise**



**Enhanced Capital  
Markets Profile**

# Experienced Leadership Team



## Terry Booth

### Chief Executive Officer

CEO of 6 successful companies  
25 years experience in highly regulated industries



## Steve Dobler

### President

Successful entrepreneur, member of many public companies' board of directors. Responsible for raising substantial funds for Aurora



## Allan Cleiren

### Chief Operational Officer

Experienced operational executive with nearly three decades leadership experience at private and public companies



## Cam Battley

### Chief Corporate Officer

Deep experience in pharma and cannabis sectors  
Board member Cannabis Canada



## Glen Ibbott

### Chief Financial Officer

Strong senior financial executive with extensive life sciences sector experience



## Darryl Vleeming

### Chief Information Officer

Over 20 years of experience in Senior IT leadership, project delivery, and IT strategic planning at publicly traded international corporations, with a specific focus on driving business value.



## Neil Belot

### Chief Global Business Development Officer

Former executive director of Cannabis Canada - Canada's trade association for Licensed Producers



## Debra Wilson

### Chief Human Resources Officer

Former executive director of Cannabis Canada - Canada's trade association for Licensed Producers

Proven Management Team Driving Aurora's High Pace of Execution



# Strong Board of Directors



## Terry Booth

### Chief Executive Officer

CEO of 6 successful companies  
25 years experience in highly regulated industries



## Steve Dobler

### President

Successful entrepreneur, member of many public companies' board of directors. Responsible for raising substantial funds for Aurora



## Michael Singer

### Chairman

Former CFO, Clementia Pharmaceuticals  
Former CFO, Bedrocan Canada Corp.



## Diane Jang

### Director

CEO of Hempco Food and Fiber, extensive consumer packaged goods experience



## Dr. Jason Dyck

### Director

Professor in the Department of Pediatrics and Director of Cardiovascular Research Centre, University of Alberta



## Norma Beauchamp

### Director

Retired President and CEO of Cystic Fibrosis Canada, Director of Acerus Pharmaceuticals



## Adam Szwera

### Director

Experienced securities lawyer, Founder of US developer of marijuana, hemp oil, and edible products



## Ronald Funk

### Director

Deep consulting business experience, former VP Corporate Affairs and Competitive Improvement for Rothmans

Extensive Cannabis, Hemp, Tobacco and Pharmaceutical Backgrounds



# AURORA<sup>®</sup>

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