



HYDROPOTHECARY

TSXV:THCX

Marijuana Médicale



CORPORATE
PRESENTATION

NOVEMBER 24, 2017

CONFIDENTIALITY

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Although the forward-looking statements contained in this presentation are based upon assumptions that management of the Company believes are reasonable based on information currently available to it, there can be no assurance that actual results will be consistent with these forward-looking statements. By their nature, forward-looking statements are inherently uncertain, are subject to risk and are based on assumptions, many of which are beyond the control of the Company and may cause their or the industry's actual results, performance, achievements, prospects and opportunities in future periods to differ materially from those expressed or implied by such forward-looking statements.

The Company cannot assure you that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Readers are cautioned that forward-looking statements are not guarantees of future performance and accordingly readers are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

All forward-looking statements included in this presentation are qualified by these cautionary statements. Unless otherwise indicated, these forward-looking statements are made as of November 24, 2017, and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as expressly required by law.

ABOUT HYDROPOTHECARY

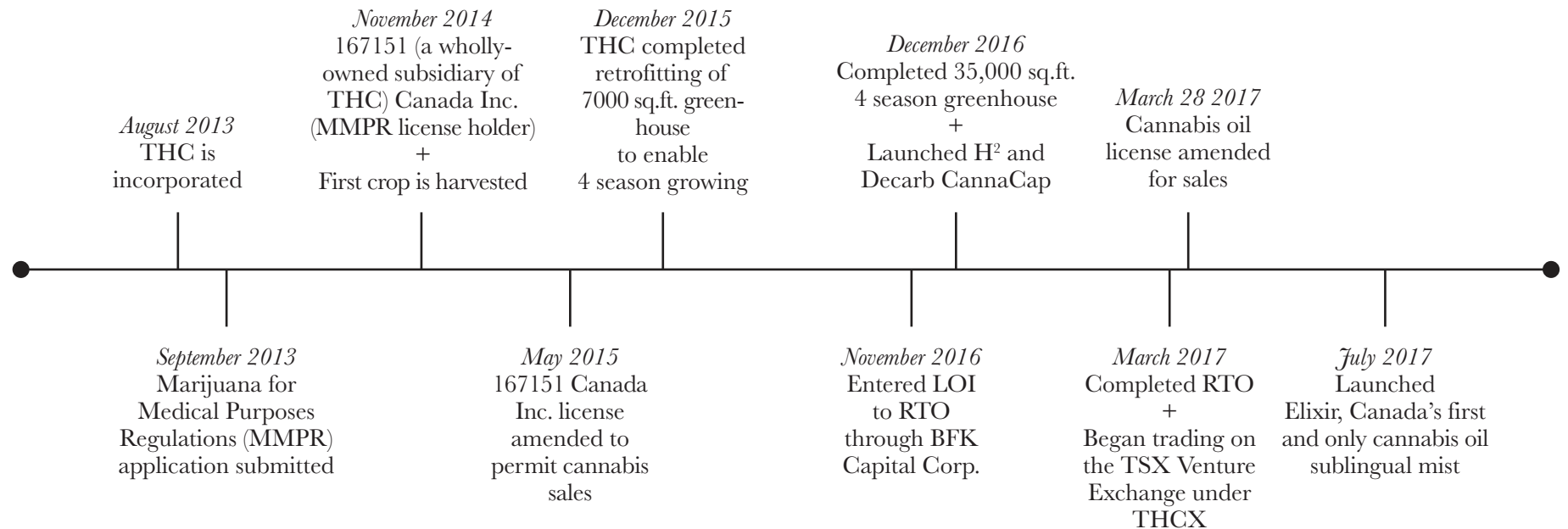
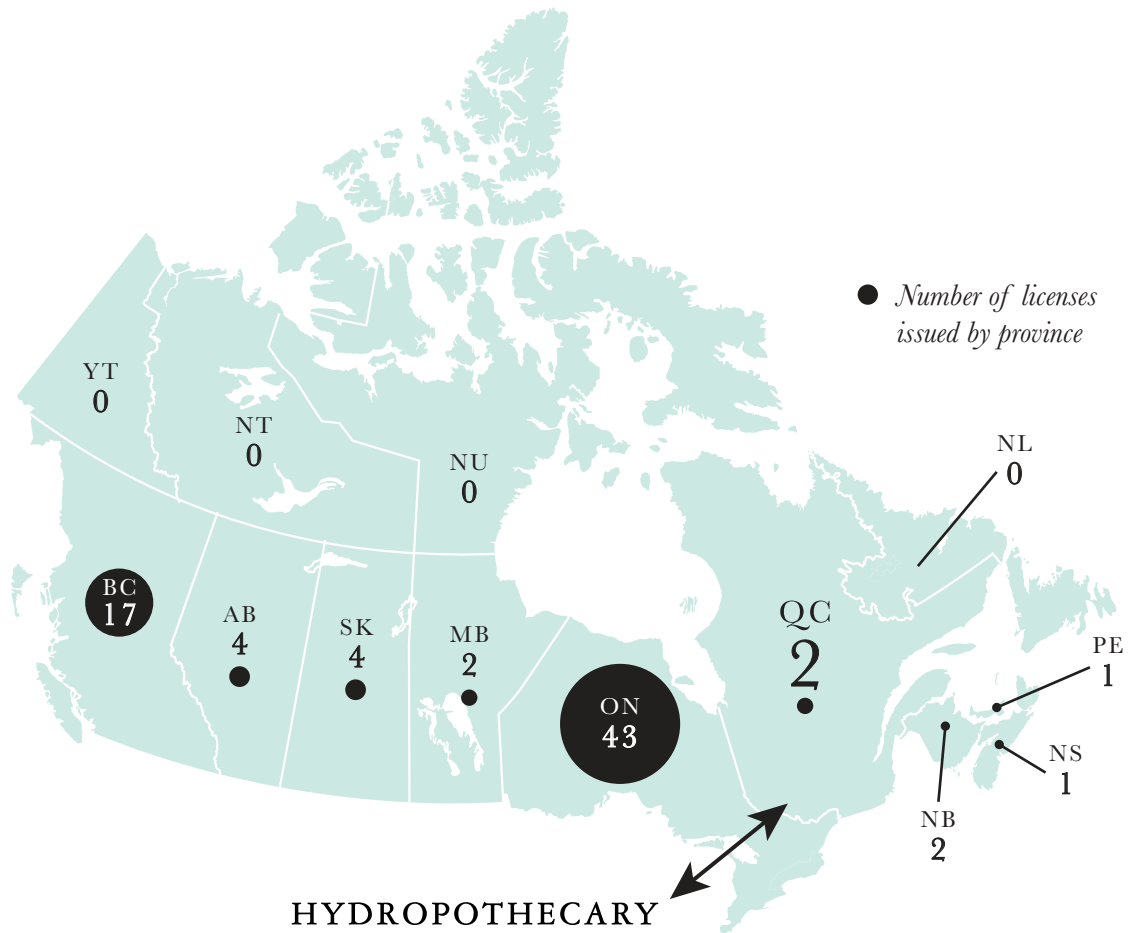


Photo: Hydrophothecary operations 2014-2017

CURRENT LANDSCAPE: MEDICAL CANNABIS IN CANADA



HYDROPOTHECARY

Quebec's only licensed producer with a full license (cultivation and sale)
Facility in Gatineau, QC

- 76 licensed producers in Canada compared to over 3,000 in California for about the same population (36 million).
- Only 32 producers, including Hydropothecary, have full licenses (both cultivation and sale).
- Licensing process takes 1 to 2 years to complete from receipt of initial cultivation license.
- Only 20 producers, including Hydropothecary, licensed to produce and sell cannabis oil.
- Estimated size of the medical cannabis market est. at \$1.1B¹.

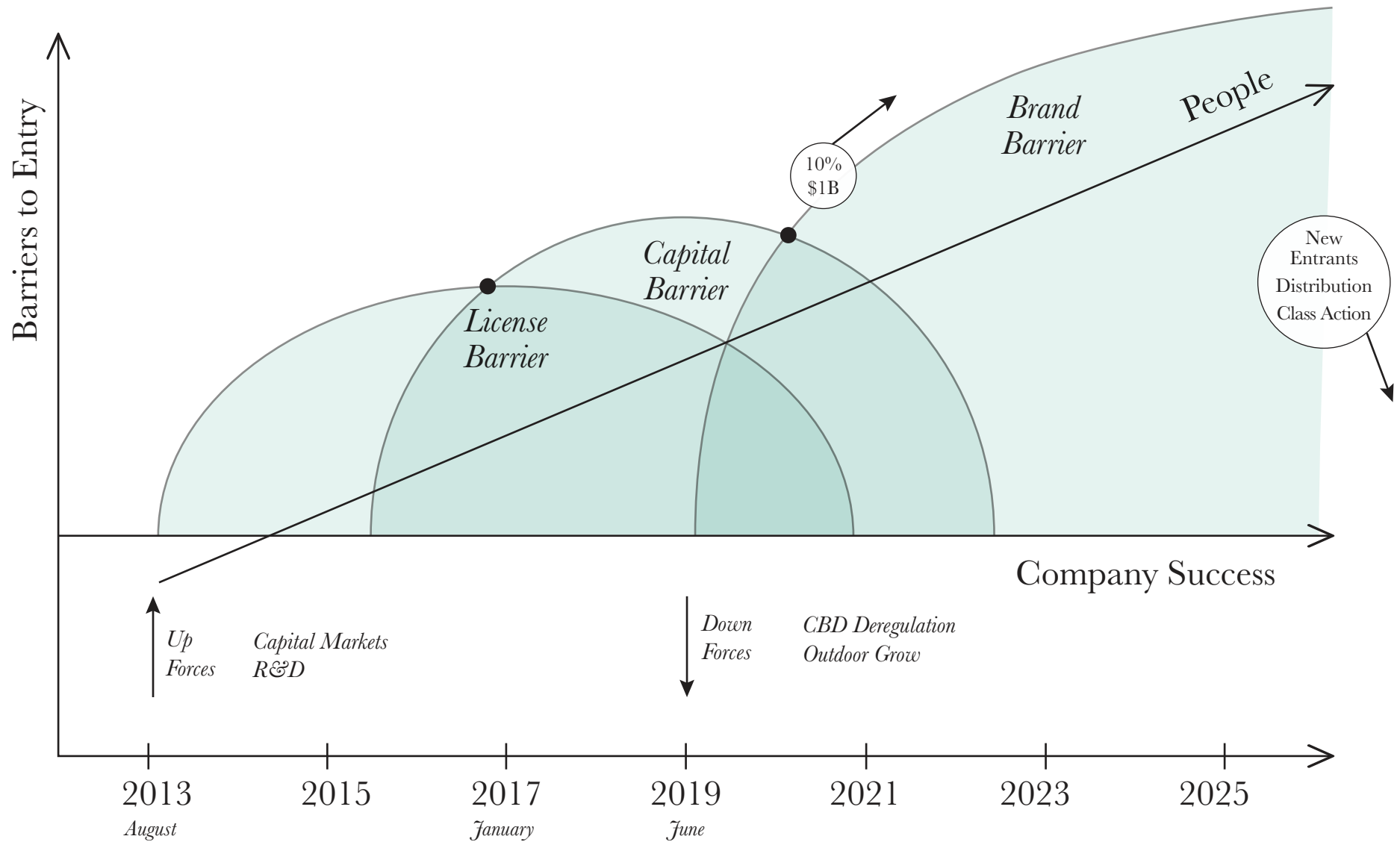
Source



Health Canada Santé Canada

¹ - Source: Mackie Research Report "As High as the Rockies - The Canadian Marijuana Opportunity"

STRATEGIC EVOLUTION



HYDROPOTHECARY FUNDAMENTALS

LOW CASH
INVENTORY
COST PER GRAM

\$1.05
per gram
—
for Q4 2017

HIGH REVENUE
PER GRAM

\$9.00
per gram
—
for Q4 2017

FOCUS ON QUALITY

- Safety of product
- Quality of product

SCALE

- 50,000 sq. ft. licensed facility with annual capacity of 3,600kg
- 250,000 sq. ft. expansion planned to be completed by July 2018

PRODUCT INNOVATION

- Premium producer with affordable luxury options
- Four distinct product lines, including Elixir, the first and only cannabis oil based spray with peppermint in the industry as well as the industry exclusive Decarb, CannaCap products

FOCUS ON QUALITY: PATIENT SAFETY

- All products are tested by an independent 3rd party lab and the results are available to patients on our website
- Testing includes:
 - Heavy metals
 - Pesticides
 - Micro organisms
 - Aflatoxins
- Strict adherence to Standard Operating Procedures
- Subject to regular unannounced Health Canada site inspections

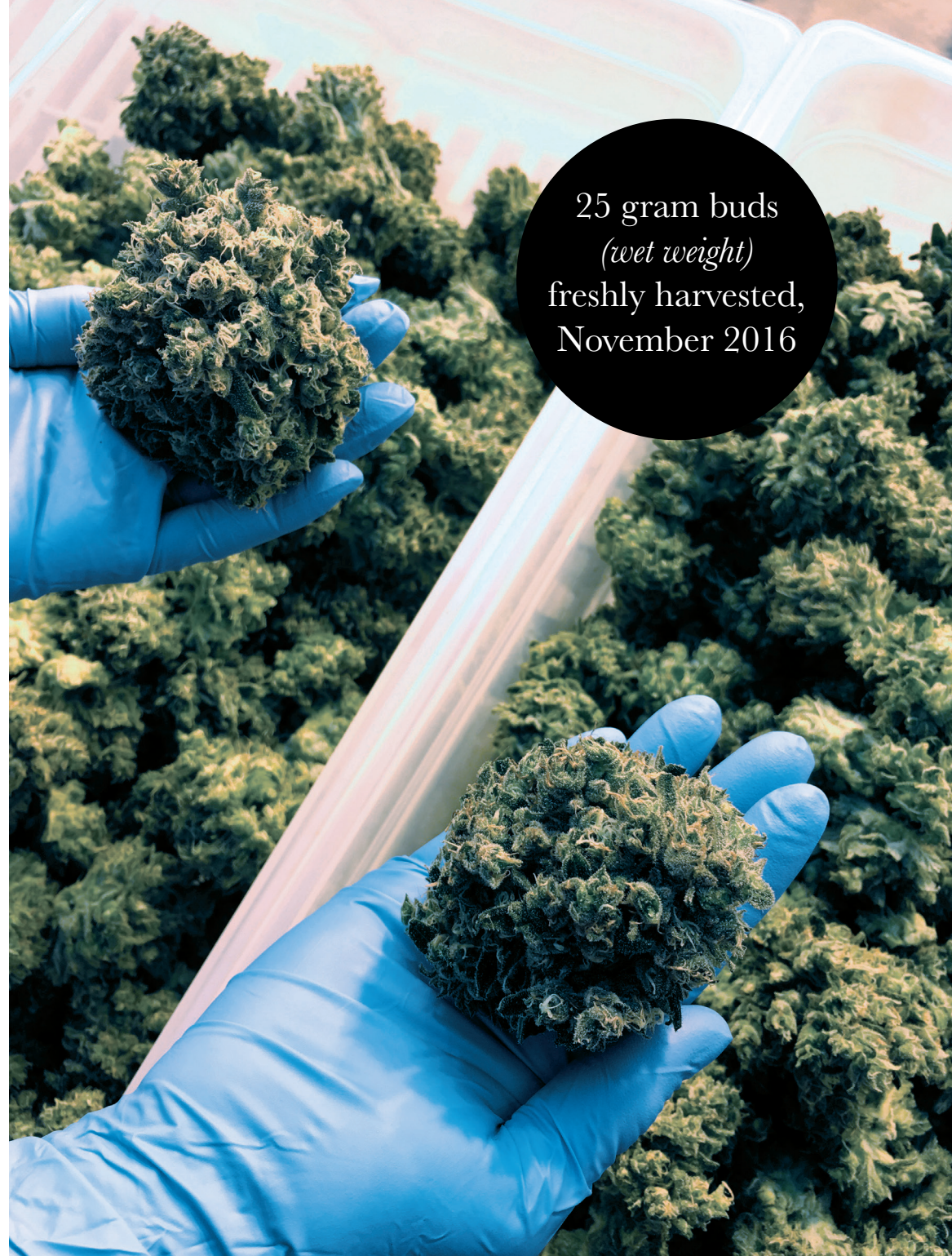


Photo: Employee operating one of our oil extractor machines

FOCUS ON QUALITY: PREMIUM PRODUCT

SUN GROWN NATURALLY

- Custom feed solutions
- Hybrid greenhouse
- Hand manicured



25 gram buds
(wet weight)
freshly harvested,
November 2016

SCALE: 300,000 SQ. FT. OF PRODUCTION CAPACITY ON A 65 ACRE PROPERTY

LEGEND

 *Current facilities*
50,000 sq. ft.

 *Future facilities*
250,000 sq. ft.
• \$25M project
• **Anticipated Opening**
July 2018

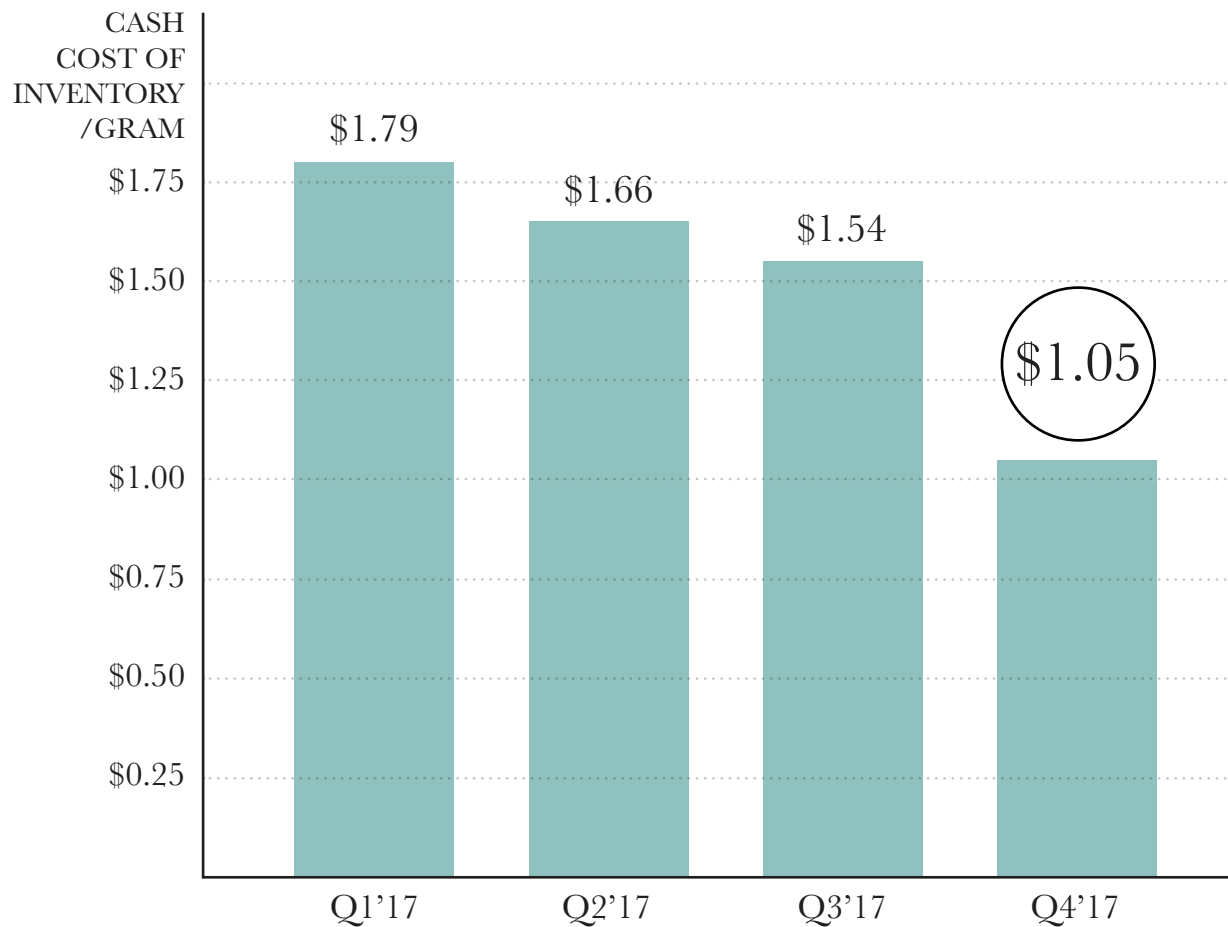
 *Total property size*
65 acres

Note: Please refer to Forward Looking Information



COST

COST PER GRAM DECREASE



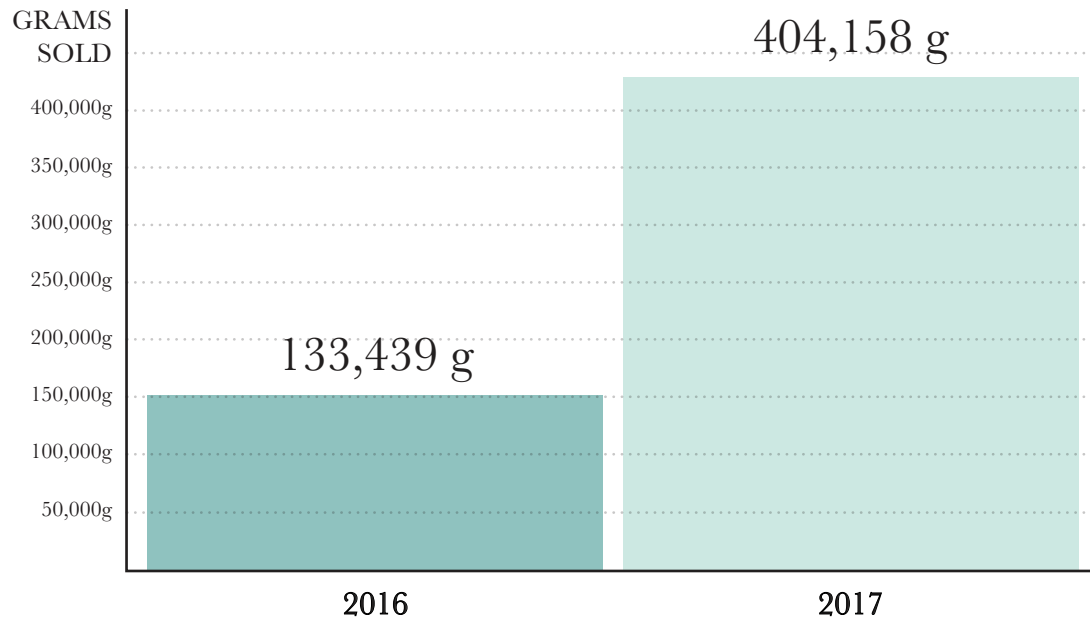
LOW COST DRIVERS

- The Province of Quebec has favourable utility rates compared with other provinces
- **Reduction in hydro consumption** (compared with indoor growers) through the utilization of curved greenhouse roof and naturally available sunlight
- Economies of scale from **centralized greenhouse location** and achieving full production capacity

Cash cost of finished goods inventory includes direct costs associate with the growing, harvesting and processing of finished goods inventory, such as labour, utilities, fertilizer costs, biological control costs, general supplies and materials, curing, milling, quality assurance and testing.

REVENUE

GRAMS SOLD PER YEAR

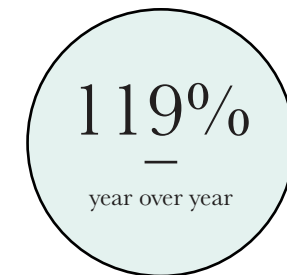


Year ended July 31	
2017	2016
REVENUE (\$)	
4,096,841	1,871,781
GRAMS SOLD (G)	
404,158	133,493

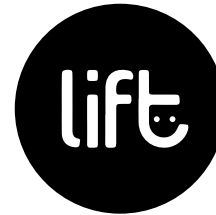
REVENUE PER GRAM



SALES INCREASE



PRODUCT INNOVATION



**CANADIAN
CANNABIS
AWARDS**
2017

WINNER
Best New
Cannabis
Product

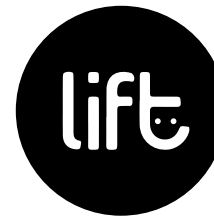
The only licensed producer currently offering Decarb, fine milled marijuana designed for oral consumption.

Prepared using a proprietary drying method and exacting scientific standards.

And more

- RESIN SALES LICENSE TO OTHER LICENSED PRODUCERS

PRODUCT INNOVATION



**CANADIAN
CANNABIS
AWARDS**
2017

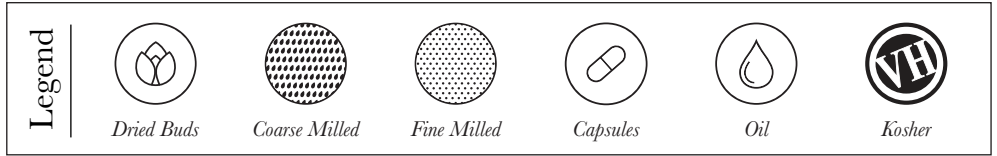
2ND PLACE
Top High THC
Oil

3RD PLACE
Best New
Cannabis
Product

The only licensed producer currently offering Elixir, Canada's first and only medical cannabis peppermint oil sublingual mist.

Elixir allows you to microdose. This product fits any lifestyle, ensuring medication can be discreetly taken, when and where it's needed.

OUR 20 PRODUCTS: DIVERSITY IN VARIETIES & PRICING



ELIXIR™

Redefining Cannabis Oil



decarb™

CannaCap™



TIME of DAY™



TEAM



SÉBASTIEN ST. LOUIS
*Co-Founder &
Chief Executive Officer*

- Former CFO of a manufacturing firm
- MBA finance from the Université du Québec à Montréal
- Closed over \$200M commercial banking and trade finance transactions at EDC and BDC



ED CHAPLIN
Chief Financial Officer

- 18 years experience with high growth company
- Chartered Accountant
- Formerly held senior and executive positions at Corel and Ernst and Young
- Involved in acquisitions totalling approximately \$600 million
- Helped raise over \$480M in debt and equity



ADAM MIRON
*Co-Founder &
Chief Brand Officer*

- Co-founder of iPolitics.ca
- Formerly National Director for Federal Commissions of the Liberal Party of Canada



DR. SHANE MORRIS
*VP, Quality Assurance
and Scientific Affairs*

- Doctorate in biotechnology from the National University of Ireland
- Formerly held senior and executive positions at Natural Resources Canada, Canadian Food Inspection Agency, Public Health Agency of Canada



TERRY LAKE, DVM
*VP, Corporate Social
Responsibility*

- Former Minister of Health for British Columbia
- Winner of the 2017 Canadian Public Health Association's National Public Health Hero Award
- Former Minister of the Environment for British Columbia
- Veterinarian and former animal health instructor at Thompson Rivers University



JAMES McMILLAN
VP, Business Development

- 19 years of experience in sales, marketing and business development
- Background in market development and OEM engagement



PIERRE KILLEEN
*VP, Corporate Communications
and Government Relations*

- Former VP and Deputy Audience Leader at Hill+Knowlton Strategies
- Former lead in development of public engagement offerings at Thornley Fallis Communications



AGNES KWASNIEWSKA
Master Grower

- Masters of Science degree from McGill University
- 9 years experience in progressive experience in agriculture, environment and research roles



ARNO GROLL
Director of Operations

- Former Director of Global Business Operations at Lam Research Corporation
- Former Quality and Process Excellence Manager at GEA Refrigeration Canada



MAX CYR
*Director of Customer Experience
and Compliance*

- Former Supervisor for the MMAR Police and Client Services at Health Canada

BOARD OF DIRECTORS



DR. MICHAEL MUNZAR
*Chairman of the Board &
Independent Director*

- Over 30 years as a licensed physician
- Published in numerous peer-reviewed journals, managed medical facilities, and designed and conducted pre-clinical studies and clinical trials



JASON EWART
Independent Director

- Co-founder and Former Chief Executive Officer of Fountain Asset Corp., a Canadian merchant bank providing debt and equity financings to private and public companies across various industries
- Economics degree from McGill University



VINCENT CHIARA
Independent Director

- Lawyer
- President and sole owner of Group Mach, a private holding company which holds significant investments representing more than 19 million square feet of real estate in Montreal, Quebec



NATHALIE BOURQUE
Independent Director

- Member of the boards of directors at Alimentation Couche-Tard, Héroux-Devtek and Hydropharmacy
- Former VP, Public Affairs and Global Communications with CAE
- Former partner at NATIONAL Public Relations
- Currently Quebec Chair of Hill+Knowlton Strategies



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*Co-Founder &
Chief Brand Officer*

- Co-founder of iPolitics.ca
- Formerly National Director for Federal Commissions of the Liberal Party of Canada



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SHARE CAPITALIZATION

COMMON SHARES ISSUED

& OUTSTANDING as at November 24, 2017..... **86,188,745**

WARRANTS

	EXPIRY DATES
Warrants @ \$0.75.....	2,184,378 July '19
Warrants @ \$0.83.....	5,171,178 Mar. '19 - Oct. '19
Warrants @ \$0.76 USD.....	1,839,216 Nov. '19
Warrants @ \$2.00.....	7,856,300 July '19
Warrants @ \$3.00.....	15,663,000 Nov. 24, '19
Broker and other warrants.....	2,530,244 Dec. '17 - Mar. '22

STOCK OPTIONS

\$0.16 strike price.....	1,020,000 May '19
\$0.58 strike price.....	1,326,900 Nov. '24 - July '25
\$0.75 strike price.....	2,511,996 Nov. '24 - Jan. '27
\$0.90 strike price.....	124,888 Mar. '18
\$1.27 strike price.....	643,000 July '27
\$1.37 strike price.....	651,000 Sept. '27
\$1.55 strike price.....	66,000 Mar. '20
\$2.48 strike price.....	128,000 Nov. '27
CONVERTIBLE DEBENTURES.....	7,156,250 Dec. 27 '17
<small>conversion price of \$1.60</small>	
CONVERTIBLE DEBENTURES.....	31,363,636 Nov. 24 '20
<small>conversion price of \$2.20</small>	

FULLY DILUTED SHARES..... 166,424,731

MANAGEMENT OWNERSHIP as at July 31, 2017 **25.11%**



CONTACT INFORMATION



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1-866-438-THCX (8429)
invest@thcx.com

Photo: Hydroponic closeup of flowering stage