

Cannabis

CSE : CGOC **GROWTH OPPORTUNITY CORPORATION**

Private Portfolio Update

AUG/ 2019

Cannabis Growth Opportunity Corporation's ("CGOC"), is an investment corporation that offers unique global exposure to the emerging global cannabis sector. CGOC's main objective is to provide shareholders long-term total return through its actively managed portfolio of securities, both public and private, operating in, or that derive a portion of their revenue or earnings from products or services related to the cannabis industry. CGOC provides monthly updates on the total portfolio and provides the top 10 public company investments (based on cost).

Management has taken a conservative approach to the valuations within the private holdings, and therefore do not mark up its holdings unless a material event (acquisition, or subsequent financing) has taken place, and is considered on an individual basis. As at August 15, 2019, 4 of the portfolio companies have been marked up or down.

Since inception (January 26, 2018), the Net Asset Value ("NAV") of the total portfolio has increased by 28% (see press release dated August 19, 2019).

INCEPTION

January 26, 2018

Share Price

C\$ 1.49

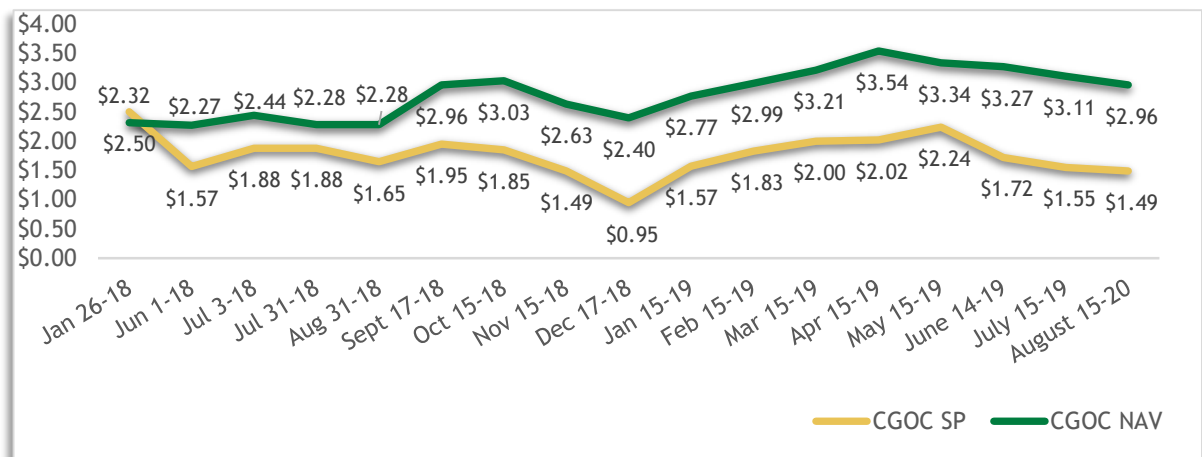
Warrant Price

C\$0.07

NET ASSET VALUE

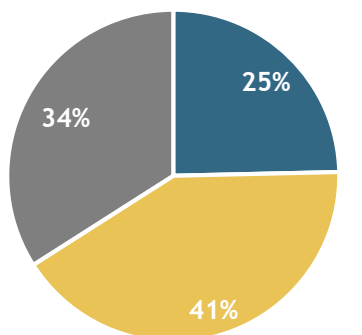
C\$2.96

(as at Aug. 15. 2019)



CGOC offers access to key investments in Canada, USA and International markets, driven by its private portfolio investments.

Geographic Breakdown of Private Portfolio



■ US ■ Canadian ■ International

The private portfolio provides exposure to investment opportunities in the high growth, multifaceted global cannabis industry before many large institutional investors. The bottom-up investment process encompasses disciplined fundamentals, and structural and technical analysis before making any investment decision.

Milestones within the Portfolio

RTO's TO GO PUBLIC



IMC expected to RTO in 2019 - Timing to be determined

Private Portfolio Holdings

Initial Investment	Company Name	Total Investment (C\$)	Current Value (NAV)	Weighting (at cost)
Apr 2018	Global Cannabis Innovators Corp.	\$ 3,025,000	\$ 5,620,688	19%
Apr 2018	Herbs Holdings Ltd.	\$ 2,317,775	\$ 4,896,973	14%
Feb 2018	Scientus Pharma Ltd.	\$ 2,000,000	\$ 1,750,000	12%
Nov 2018	Norcal Cannabis Company	\$ 1,328,520	\$ 1,344,601	8%
Mar/ May 2019	Zitronic Hempliments AG	\$ 1,000,000	\$ 1,000,000	6%
Apr 2018	Green Relief Inc.	\$ 1,000,000	\$ 700,000	6%
May 2019	Plantext Ltd.	\$ 673,850	\$ 666,250	4%
Aug 2019	EG Management & Services Inc.	\$ 666,250	\$ 666,250	4%
Apr 2019	Bio 365 LLC	\$ 650,047	\$ 500,000	4%
Mar 2019	Full Spectrum Brand Cannabis	\$ 500,000	\$ 500,000	3%
Apr 2019	C3 Centre Holding Inc.	\$ 500,000	\$ 500,000	3%
May 2019	Eden Empire Inc.	\$ 500,000	\$ 500,000	3%
Dec 2018	Tokr LLC	\$ 468,531	\$ 464,581	3%
Apr 2018	Bien Ventures Ltd.	\$ 300,000	\$ 256,646	2%
Jul 2019	Kiaro (Aura)	\$ 250,000	\$ 250,000	2%
May 2018	I.M.C Holdings Ltd.	\$ 250,000	\$ 227,127	1%
Apr 2019	Balcanns (MKK Canada Corporation)	\$ 100,000	\$ 100,000	1%
Apr 2018	Avalon Bridge Capital Inc.	\$ 25,000	\$ 25,000	0.1%
		\$ 16,995,862	\$ 21,600,164	

Notes:

- Value for NAV is a non-IFRS (international financial reporting standards) measure and was calculated based on the estimated carrying value of CGOC's private investments used to calculate the monthly NAV. The term does not have any standardized meaning according to IFRS and therefore may not be comparable to similar measures presented by other companies. Management believes that the Value for NAV as provided can provide useful information to its shareholders in understanding the performance of the portfolio.
- As at August 15, 2019; some investments are denominated in USD; Forex (CAD:USD) 1.3325; Investments are common shares, preferred shares, warrants, convertible debt/note or some combination thereof.
- Value for NAV of warrants is calculated using the Black-Scholes Model which requires six key inputs: risk-free interest rate, exercise price, market price at valuation date, expected dividend yield, expected life remaining in the term of the warrant and expected volatility. Certain inputs are estimates, which involve considerable judgment and are or could be affected by significant factors that are out of the Corporation's control.
- Herbs Holdings Ltd. underwent a 10 for 1 stock split
- The decrease in carrying value of Bien Ventures Ltd. common shares is due to CGOC's second unit subscription in June 2018 where the warrants were allocated a higher value than common shares compared to the first unit subscription in April 2018. Overall, the Corporation has not marked down the investment.
- The investment in Zitronic Hempliments AG is an option to acquire 10% of the outstanding shares of the company for \$1 CHF.

New Portfolio Additions



An independent Canadian cannabis retailer



Subsidiary of Emerald Grown (Farm to consumer cannabis) to facilitate partnerships between farmers and consumers

[linkedin.com/company/cgocorp](https://www.linkedin.com/company/cgocorp)

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