

A German biopharmaceutical company developing cannabis formulations and dose delivery systems for the German medical market

Investor Presentation | January 2019

Location: Erfurt, Germany | Vancouver, Canada
TSXV: XCX (Chinook Tye name to be changed to AMP European Partners Inc.)
Frankfurt Stock Exchange: Q1 2019
Fully diluted shares: 10.2M





Safe Harbour

This Presentation contains “forward-looking information” within the meaning of applicable Canadian securities legislation which are based upon the Company’s current internal expectations, estimates, projections, assumptions and beliefs and views of future events. Forward-looking information can be identified by the use of forward-looking terminology such as “expect”, “likely”, “may”, “will”, “should”, “intend”, “anticipate”, “potential”, “proposed”, “estimate” and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions “may”, “would” or “will” happen, or by discussions of strategy. Forward-looking information includes estimates, plans, expectations, opinions, forecasts, projections, targets, guidance or other statements that are not statements of fact.

Forward-looking information in this Presentation is based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate and reasonable in the circumstances as at the date hereof. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. In particular, we have made assumptions in respect of the build-out of the Bradford Facility; our competitive advantages; the expected legalization of cannabis use in Canada; the growth of our business and expansion into new markets; the development of new products and product formats for our cannabis-based pharmaceutical products; our ability to retain key personnel; our ability to continue investing in our infrastructure to support our growth; our ability to obtain and maintain financing on acceptable terms; the impact of competition; the changes and trends in the medical cannabis industry; and changes in laws, rules and regulations.

Forward-looking information is necessarily based on a number of opinions, estimates and assumptions that we considered appropriate and reasonable as of the date hereof, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual actions, events, results, performance or achievements to differ materially from what is projected in forward-looking information, including but not limited to the risks described in greater detail in the section entitled “Risk Factors” in our most recent annual information form available on SEDAR at www.sedar.com.

Although we have attempted to identify important factors that could cause actual actions, events, results, performance or achievements to differ materially from those described in forward-looking information, there may be other factors not presently known to us or that we presently believe are not material that may cause actions, events, results, performance or achievements to differ from those anticipated, estimated or intended. Should one or more of these risks or uncertainties materialize or should assumptions underlying the forward-looking information prove incorrect, actual actions, events, results, performance or achievements may vary materially from those expressed and implied by such statements contained in this Presentation. The purpose of forward-looking information is to provide the reader with a description of management’s expectations, and such statements may not be appropriate for any other purpose. Accordingly, readers should not place undue reliance on forward-looking information. Although the Company believes that the expectations reflected in statements containing forward-looking information are reasonable, it can give no assurance that such expectations will prove to be correct. The Company disclaims any obligation to update any forward-looking information, whether as a result of new information or future events or results, except to the extent required by applicable securities laws.



Market leadership will be developed by meeting patients' medical needs in Germany and then Europe.

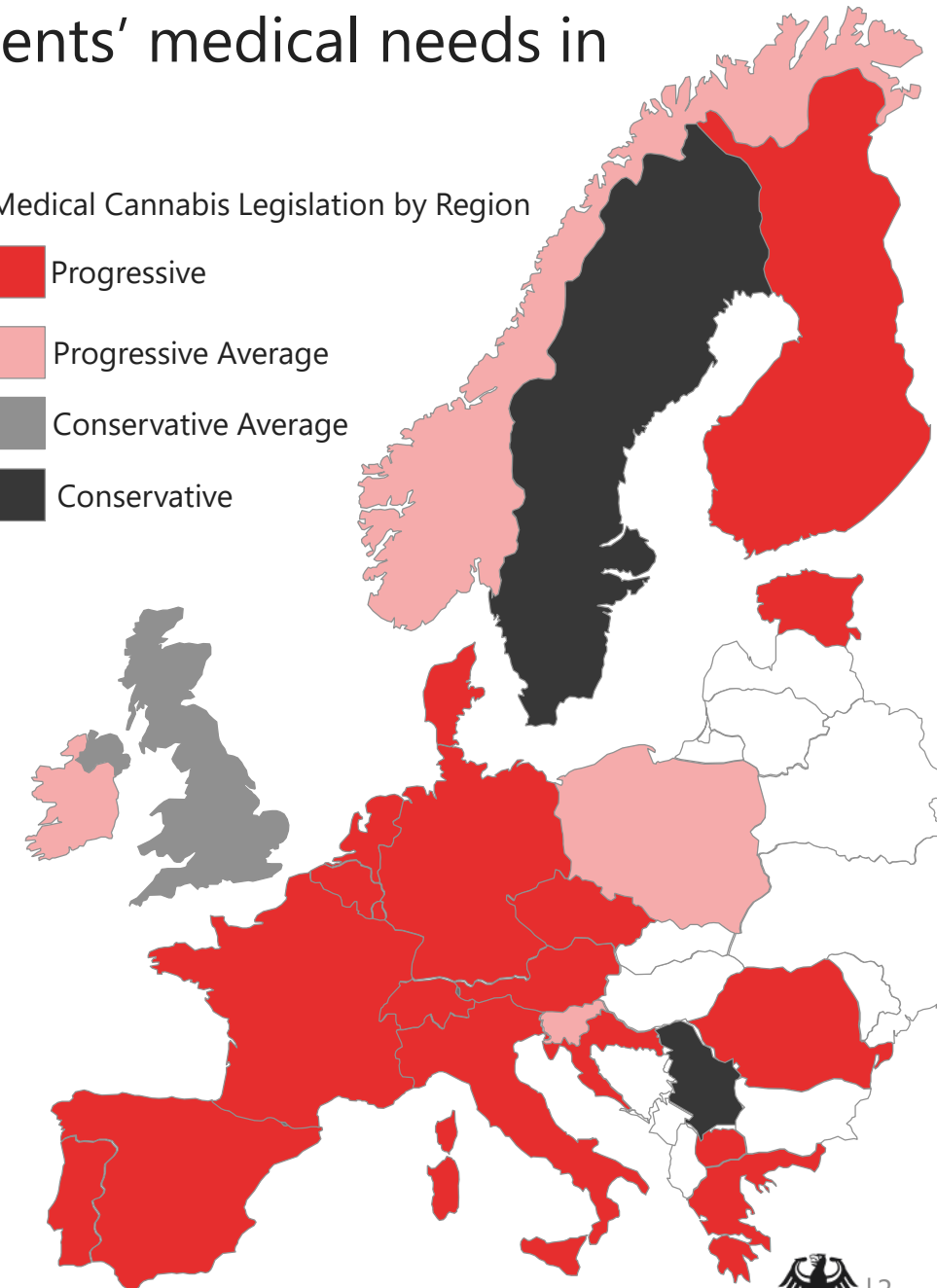
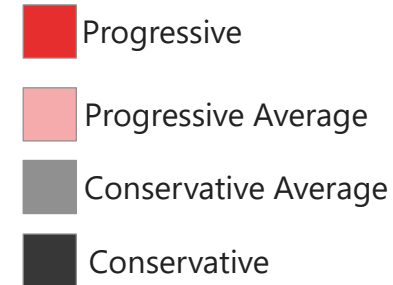
Opportunity: Europe will be the most lucrative MMJ market in the world as legalization continues and with Germany setting the standard for its role in healthcare and its coverage by insurance.

Challenges: Each country has its own unique legal and cultural frameworks towards narcotics and the Canadian experience provides limited insight on how Germany or Europe will develop.

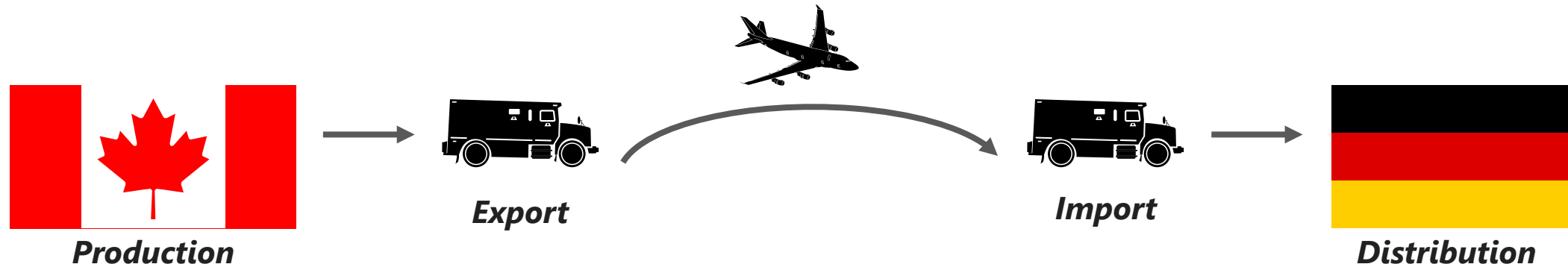
Strategy (2019): Import MMJ from EU-GMP-certified Canadian Licensed Producers ("LPs") and sell to German pharmacies through AMP's wholesalers' partnerships. AMP will oversee its LP supply partners' GMP certificating process to ensure quality assurance and final certification in Germany.

Strategy (2020): Develop drug formulations and dose delivery systems in collaboration with patients, doctors, pharmacists for sale in Germany. AMP's strains will be produced by EU GMP certified LPs in Canada.

Medical Cannabis Legislation by Region



Simple business model | Minimal cap-ex | Immediate cash flow



Supply from Canada

- LPs enter into MOU supply agreement with AMP
- AMP conducts EU-GMP gap analysis which identifies deficiencies
- LPs make upgrades with oversight by AMP
- AMP conducts EU-GMP audit
- LPs enter into definitive supply agreement with AMP
- AMP arranges German State Official EU-GMP certification
- AMP secures required import and export licenses

Cost at source: \$5 per gram

Distribute in Germany

- AMP arranges secure transportation for narcotics from LP to Germany
- MMJ is stored at AMP's licensed narcotic storage facility
- Doctors prescribe MMJ medication to their patients
- AMP's wholesalers supply to pharmacies
- Pharmacies fulfill MMJ prescription written by doctors
- Patients' prescription costs are reimbursed by government insurance

**Cost to patient: \$30 per gram
(covered by insurance)**

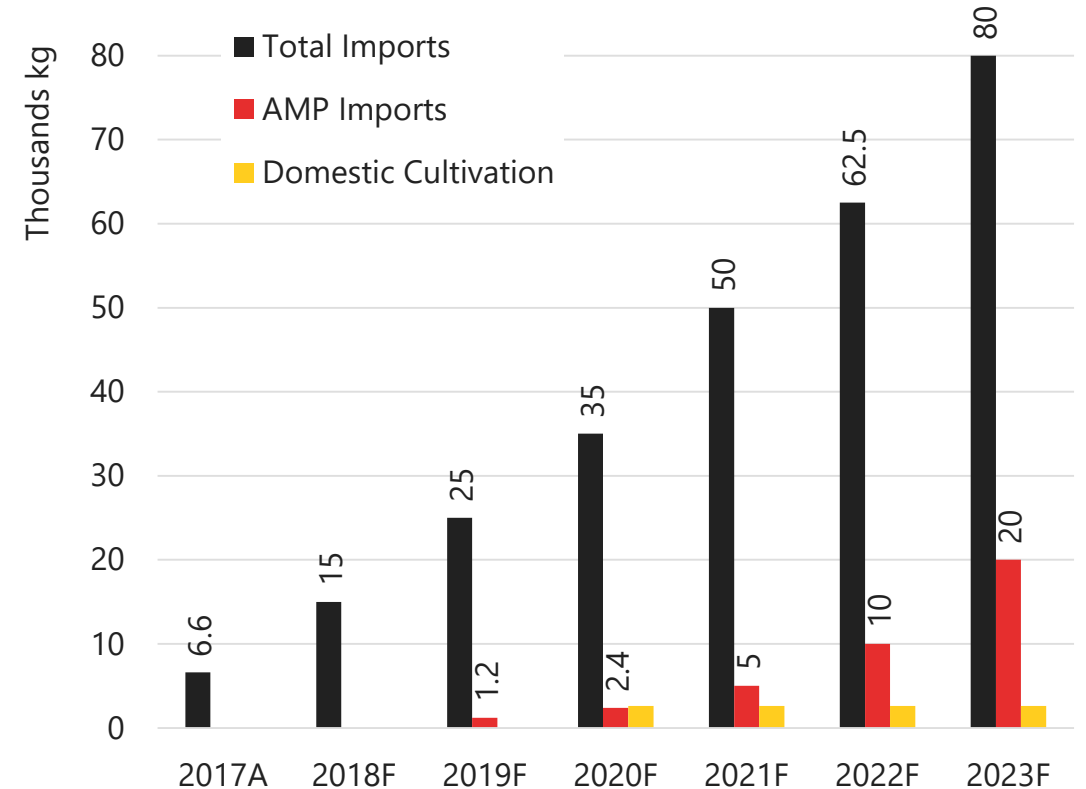
AMP initially plans to capture 7% of total German imports by 2020 by...

...helping AMP's Canadian LP supply partners to become EU-GMP certified thereby making AMP one of a handful of importers into Germany that can meet supply demands.

And investing in narcotic storage and distribution with AMP's German pharmaceutical distribution partners to ensure country-wide inventory for pharmacists.

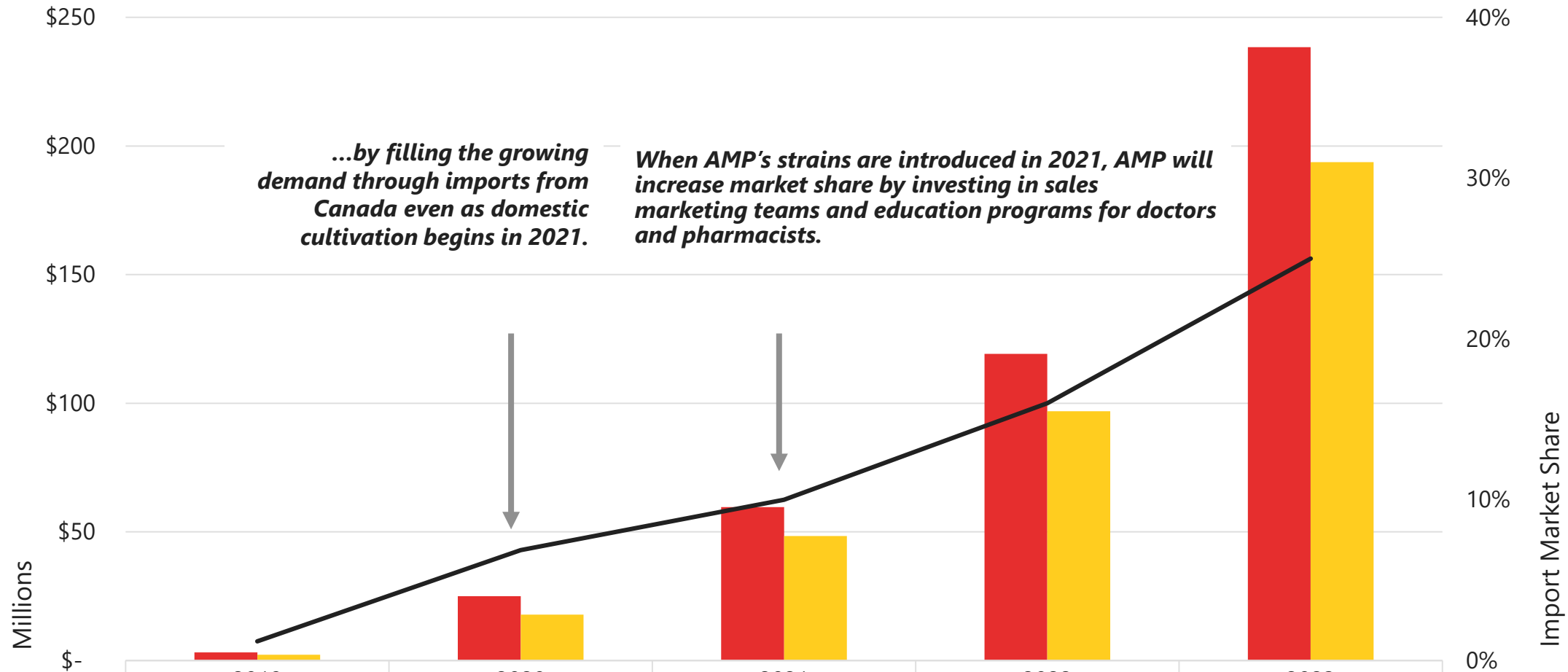
2018	Enter into a production agreement with LPs who will become EU GMP certified under AMP's consultation.
2019	<p>Close \$1.75M private placement (\$0.35).</p> <p>LPs begin GMP upgrades</p> <p>Enter into definitive sales & distribution agreements with German pharmaceutical wholesale, logistics, storage and security providers.</p> <p>LPs are GMP certified by German state officials.</p> <p>Obtain import and export licenses from Germany and Canada.</p> <p>Close \$5M private placement.</p> <p>Develop marketing and education sales teams and seminars for pharmacists and doctors.</p> <p>Form Germany research collaborative and trade association.</p>
2020	<p>First import shipment.</p> <p>Enter into R&D production agreements for AMP's strains with LPs.</p> <p>Close \$7.5M private placement.</p>
2021	First import of AMP strains.

Timeline: Business Steps and Financing (2019-2021)



Proforma German Imports & Domestic Cultivation vs. AMP Imports (1,000kg)

Strong sales growth will be achieved...



	2019	2020	2021	2022	2023
Gross Sales (C\$)	\$3,129,000	\$25,032,000	\$59,600,000	\$119,200,000	\$238,400,000
Gross Margin (C\$)	\$2,235,000	\$17,880,000	\$48,425,000	\$96,850,000	\$193,700,000
Import Market Share	1%	7%	10%	16%	25%

Table: AMP Pro Forma Import Market Share, Gross Sales & Margins (2019-2023)



AMP Board and Management

+20 years experience in industrial and regulated German industries including pulp and paper, plastics, real estate, renewable energy and government economic development.

+25 years in European commercial, trade and merchant banking

+30 years in Canadian public company governance



Dr. Stefan Feuerstein (DE)

Director & President

Experience in German business and government, specifically in pulp and paper, plastics, aluminum and biodiesel industries. Formerly, MD of IIC, investment agency for Eastern Germany, and TLW, German State of Thuringia economic development agency.



Mr. Alex Blodgett (CDN)

Director & CEO

Served on Canadian and US public company boards and as a senior executive. Formerly, with Gordon Capital and Bankers Trust.



Mr. Claudio Morandi (CH)

Director

Experience in European and Swiss commercial, trade and merchant banking. Chairman of Taiga Atlas plc. a European investment company. Formerly, SVP of MFC Merchant Bank Ltd., a specialty trade and structured finance bank.



Mr. Ken MacLeod (CDN)

Independent Director

Served on Canadian public company boards and as senior executive predominately in renewable energy and mining projects in Asia and North America.



AMP Difference

Investment Opportunity

- Niche player, first mover in the German MMJ market
- Double digit demand and limited supply due to high quality standards (EU-GMP) makes Germany one of the most lucrative MMJ markets in the world
- As a German company, AMP's proven management understands how to navigate the complicated regulatory environment in Germany
- AMP is not involved in MMJ production and has partnered with established German logistics and distribution companies which allows for high margins and low cost infrastructure
- AMP's sole focus on MMJ market will create market leadership in Germany which will translate in Europe when Germany allows exports to other European countries

German MMJ Market at \$12B by 2028

- Demand will outstrip supply for the next 5 years, even when domestic production comes online
- 99% of LPs are not EU-GMP certifiable – **AMP is the only solution** for small to medium sized LPs to become EU-GMP certified
- Meeting EU-GMP standards is the biggest obstacle for any LP trying to export to Germany
- Germany will set the medical and insurance coverage standards for Europe
- Greenhouse production which most LPs are adopting will not meet EU-GMP standards – most focused on recreational market

The Stock (TSXV: XCX)

- Only German MMJ pure play listed in Canada and Germany
- Proven German management team with 25 years of experience with regulators
- Canadian directors with capital markets, governance experience
- Attractive share price valuation
- Tight share capital structure
- Very simple and understandable business model with high margins
- Canadian and German investor relation programs to begin in January

Appendix: German Cannabis Market Overview

The European Cannabis Report™ | Germany 29

Germany

1. Market Overview



Germany boasts the largest economy in Europe - a global leader across multiple industries and the forerunner of the European cannabis industry.

Germany, Europe's largest potential market opened up in March 2017 with the introduction of new medical cannabis legislation and the creation of eleven production licences. The system to allocate licenses was geared towards experienced international companies partnering or creating joint ventures with local companies. The country's wealth of talent and resources is set to ensure that this market will become a global standard in the future. However a series of controversies means that a re-evaluation of the application process is due imminently [\(See Expert Input\)](#).

Recreational use is currently illegal in Germany, although punishments have become increasingly lenient in recent years as attitudes shift. While dwarfed by France, Germany's industrial hemp production industry is in the top five in Europe and is expected to grow in 2018. The country is poised for further reform, including decriminalisation which was called for by the head of the police union in February 2018.

At present, domestic cultivation commands the attention of the national government. Though the initial application costs have been high, the barriers to entry may be removed as domestic groups continue to oppose preference for international partnerships.

Population: 82.2m
GDP (2017): €5.1t
Total Healthcare Expenditure (2017): €425.8b
Total Beauty & Well being Expenditure (2017): €13.6b
Alcohol Consumption (litres per capita, aged 15+, per year): 10.6
Daily Tobacco Users (% of population): 22.3%
Cannabis Users (% adults aged 15-64): 6.1%

Ruling Government Party Coalition - Social Democratic Party, Christian Democratic Union and Christian Social Union
Party Stance on Cannabis: In favour of medical legalisation but recreational legalisation is unlikely before 2022

Cannabis remains illegal in most European countries so please reference your local laws in relation to medical or recreational use. This report has been compiled for informational purposes only. It should not be construed as a research report for investment, legal, medical, health or tax advice. © 2018 PP Intelligence Ltd.

Source: Prohibition Partners, *The European Cannabis Report*. July 2018.