



Pharmagreen Biotech Inc.

Calendar Q1 2022 | Company Update

Disclaimer

About Pharmagreen Biotech Inc.

Pharmagreen Biotech, Inc., (**OTC QB: PHBI**) is a publicly-traded company in the business of providing the highest quality starter plantlets utilizing a proprietary tissue culture process, "Chibafreen", to licensed cannabis cultivators and to CBD / CBG hemp farmers. It also provides other value added services including: plant species identification through DNA testing and certification, live storage of all plant strains using tissue culture, and low temperature storage proprietary technology. The Company is utilizing the best tissue cultured plantlets in its state of the art greenhouse(s) for the highest quality flower tops production, sale and for its live rosin line of cannabis therapeutics.

For further information on the company please visit: update.pharmagreen.ca

Safe Harbor Statement

The information included herein contains "forward-looking information", including "future-oriented financial information" and "financial outlook", under applicable securities laws (collectively referred to herein as forward-looking statements).

These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any financial projections of future performance or result expressed or implied by such forward-looking statements.

Although forward-looking statements contained herein are based upon what management of Pharmagreen Biotech Inc. (PHBI) believes are reasonable assumptions, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. PHBI undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

Specifically, the reader should note that, while PHBI is currently taking steps to become a licensed industrial hemp grower in the State of Nevada and/or California, PHBI does not currently hold a license in any state to grow Cannabis and is not currently engaged in growing Cannabis. Statements herein that refer to Cannabis and/ or industrial hemp-related operations assume that PHBI will have obtained needed licensing.



What is Pharmagreen?

Background

Pharmagreen Biotech, Inc. is a Nevada-based company specializing in the advanced science of tissue culture. It offers premium growing services that enhance the preservation and quality of plants.

Services



Pharma-grade Quality Cannabis Flower tops and Biomass Production to produce highest quality raw material of cannabis from its state-of-the-art greenhouse(s).



Tissue Cultured Starter Plantlet Production of the highest quality starter plantlets with guarantees of no genetic drift, no bugs and no diseases.



Cultivating Schedule
Develop optimal feeding and fertilizing schedules for specific strains based on the growing environment and lighting system, adding a level of security to any growth strategy.



Cold Storage of Tissue Culture
Using suspended growth state technology enables cultivators to preserve their strains live, preventing genetic drift and contamination, bugs, and diseases.

Industry Problem & Pharmagreen Solution

Problems with Growing Plantlets In-House



- Negatively impacts economics and quality of the final product.
- Reduces revenue by occupying adult plant growing floor space.
- Increases risk of disease among starter plantlets.
- Can potentially cause genetic drift, which impacts product quality and consistency.

The Pharmagreen Solution



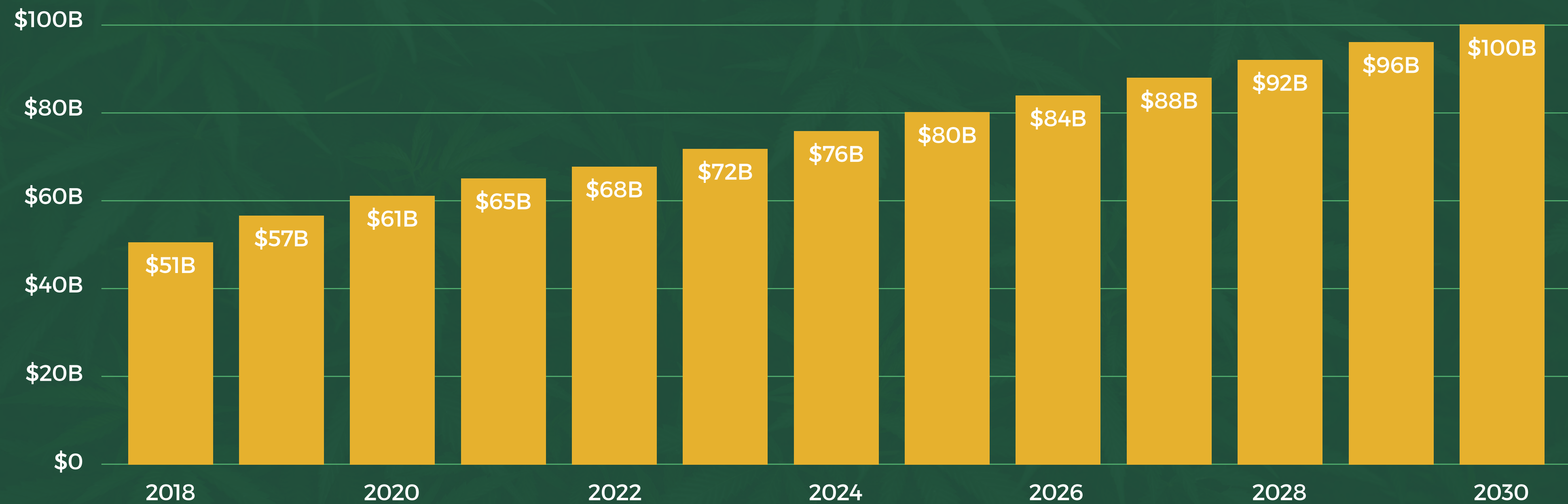
Pharmagreen's dedicated tissue cultured starter plantlets facility uses proprietary propagation technology to address today's issues.

- Our revolutionary IoT facility reduces disease and contamination of plants.
- We can supply up to a million starter plantlets with reduced growing time, and more space for flowers, increasing the frequency of production cycles and yielding higher profits in return.



Market & Competitive Analysis

Projected U.S. Cannabis Market



Source: Cowen and Company

Business Model

In Process

- Lease a location with a Cannabis nonvolatile manufacturing and distribution permit for the production of live rosin based whole plant therapeutics.

Now

- Build a state-of-the-art 12,000 sq ft Greenhouse utilizing IoT (Internet of Things) technologies for Cannabis production.
- Increase the current gross annual revenues of approximately \$500,000 annually to over \$9,000,000.
- Cannabis nursery license with the State of California has been approved.

Near-Term

- Build a tissue culture starter plantlets production facility to supply in-house greenhouse needs and for third-party sales.
- Expand production of flower tops and sales of tissue cultured starter plantlets.
- Sell in-house pharma-grade Cannabis oils and derivatives under the Pharmagreen brand.

Botany Biotech Complex



STATE-OF-THE-ART GREENHOUSE

Utilizing the latest technologies for environmental, fertigation and sanitation controls. Geothermal and solar power technologies for the greenest footprint possible. All aspects work together consistently, reliably, and cost-effectively to produce the highest quality flower tops and biomass. A Pharma grade, grade A raw Cannabis materials production center.



PLANT TISSUE CULTURE UNIT

Pharmagreen will produce tissue cultured with its proprietary use of CHIBAFREEN, a new, highly evolved, state-of-the-art in-vitro plant production method, for a variety of high-quality Cannabis plantlets production in its botany complex. At capacity, we will be able to produce up to millions of plantlets annually, depending on the size of the facility.



DNA TESTING SERVICES UNIT

Using DNA testing, growers can ensure they have the right genetics of their desired plants. Our DNA testing services unit can protect crops from uncertified plant species, lessen the risk of the plant to yield ratios, and protect plant losses from environmental conditions causing further financial damages.



COLD STORAGE UNIT

Pharmagreen preserves plant strains and propagates them when necessary. Its botany complex has the power to maintain a variety of plant species indefinitely with the opportunity for mass reproduction. Its a flexible production schedule on a commercial scale.



NURSERY UNIT

The Company's focus is on the supply of highest quality Cannabis starter plantlets. The best of legacy and therapeutic cannabinoid content strains will be selected. The plantlets will be for our internal greenhouse use and for a selected network of cultivators.



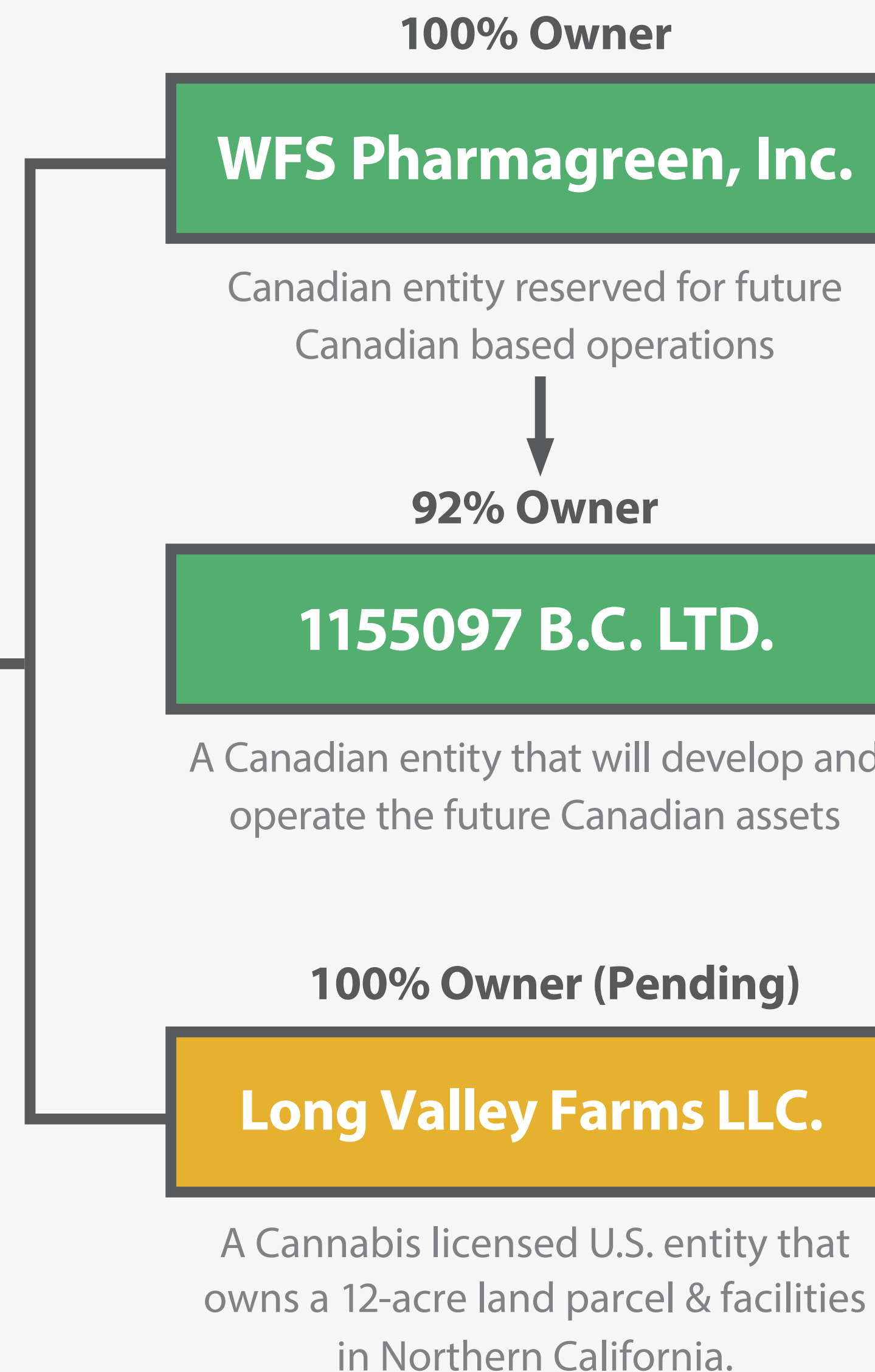
LIVE ROSIN UNIT

Pharmagreen's brand of live rosin Cannabis products will be offered throughout California. The uniqueness of the live rosin products will be its superior efficacy and entourage effect as compared to extracted formulation just with CBD or other singular cannabinoids.

Current Corporate Structure



U.S. Based Corporation Registered in Nevada
& listed on the OTC QB Market: **PHBI**



Pharmagreen Biotech Inc.

Transaction Details:



Long Valley Farms (LVF) (Acquisition)

- 12-acre land parcel located in Northern California
- Option and first right of refusal, for a term of up to 7.5 years, to purchase up to 120 acres of adjacent land or more for business growth and development
- Holds a provisional cannabis cultivation license, included in the acquisition

Interim Financing Required

- \$1.9 Million for 12-acre land parcel
- \$500,000 for all of LVF's assets and license
- \$1 Million for greenhouse development
- Total \$3.4 Million



\$2.4 Million in exchange for 100% tender of the equity and interest of LVF and the 12-acre property including a Cannabis cultivation license



Pharmagreen has agreed to expend a sum of up to \$2M and not less than \$1M on the construction of a state-of-the-art greenhouse



\$1.2 Million in cash and \$1.2 Million worth in shares of PHBI, and the amount of shares to be calculated using a 5-day weighted-average close price prior to the Closing Date.



LVF shall be issued seller restricted shares of Pharmagreen common stock of up to \$1.2M, scheduled from the Closing. 20% upon the closing date followed by an additional 20% on each closing date anniversary for the next four years.



Market Analysis

Timeline for funds requirements for 2022

60 to 90 days Equity Financing \$2,000,000 to \$3,000,000

- Completion of property acquisition
- Tendering documents for greenhouse construction
- Application for a Cannabis micro-business licence
- Engineering plans for tissue culture starter plantlets production and live rosin press facilities

Future Financing for Additional Developments - \$ to be determined

- Build out of additional greenhouses
- Acquisition of more land
- Further business development and acquisitions

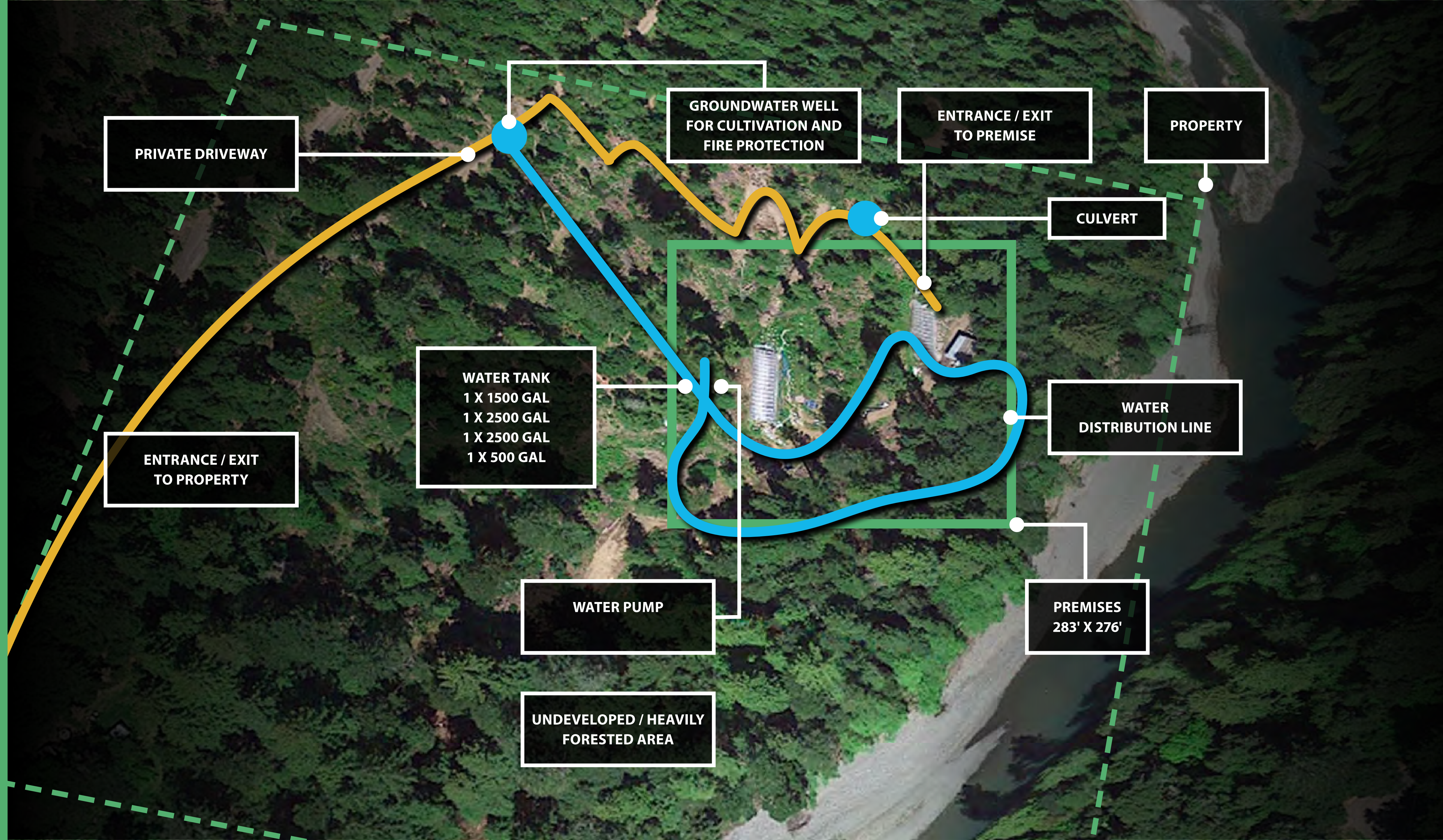
Use of Proceeds for Cannabis Biotech Complex & 12,000 sq ft IoT Greenhouse

Project Costs in US\$	
Land Acquisition	\$1,200,000
Construction/Equipment	
Site & IoT Greenhouse Construction	\$1,000,000
Tissue Culture Starter Plantlets Production Facility	\$4,000,000
Administration / Marketing	\$1,000,000
Total Projected Costs	\$7,200,000

Project Location - Leggett, California

The 12 acres fully serviced ready-to-build lot
is located in Northern California, surrounded
by Redwood forest





Financials

Pharmagreen Biotech Inc. Revenue Projections - 5 Year Financial Projections Summary

Total Revenue U.S.	Acquisition of LVF	2022	2023	2024	2025
Greenhouse(s)* Phase 1	-	\$6,000,000	\$15,000,000	\$24,000,000	\$33,000,000
Cost of Goods Sold	-	\$720,000	\$1,800,000	\$2,880,000	\$3,960,000
Gross Profit	-	\$5,280,000	\$13,200,000	\$21,120,000	\$29,040,000
% Margin	-	88%	88%	88%	88%
Operating Expenses	-	\$1,200,000	\$3,000,000	\$4,800,000	\$6,600,000
EBITDA	-	\$4,080,000	\$10,200,000	\$16,320,000	\$22,440,000
Less: Capital Expenditures		\$1,000,000	\$10,000,000*****	\$1,000,000	\$1,000,000

Tissue Culture Biotech Complex** Phase 2	\$0	\$0	\$21,000,000	\$31,000,000	\$43,200,000
Cost of Goods Sold	\$0	\$0	\$2,520,000	\$3,720,000	\$5,184,000
Gross Profit	\$0	\$0	\$18,480,000	\$27,280,000	\$38,016,000
% margin	0%	0%	88%	88%	88%
Operating Expenses	\$0	\$0	\$4,200,000	\$6,200,000	\$8,640,000
EBITDA	\$0	\$0	\$14,280,000	\$21,080,000	\$29,376,000
Less: Capital Expenditures	\$0	\$4,000,000	\$0	\$0	\$0
Other Potential Income ***					
Acquisition of LVF ****	\$1,200,000				
Unlevered Free Cash Flow	\$1,200,000	\$3,120,000	\$11,360,000	\$47,760,000	\$98,576,000

* For 2022, the greenhouse will be under construction, takes approximately **five months to build and a crop every two months**.

Each greenhouse will produce approximately **\$9,000,000 annually** at capacity. One greenhouse is expected to be added annually until 2025.

Additional land needs to be acquired for subsequent greenhouses.

** Tissue Culture Facility is projected to be operational by 2023 with **3,600,000 plantlets produced at full capacity by 2025**

For 2023 50% Capacity, for 2024 75% Capacity, for 2025 100% Capacity
Tissue Culture Biotech Complex
Assumptions:

Plantlets current market price	\$12
COGS w. 3% contingency build in	12%
Operating expenses	20%

*** Other Potential Income will be derived from Live Rosin Sales at \$18,000 /day gross revenue

**** Acquisition of Long Valley Farms. LLC in California for \$1,200,000 in cash.

***** Ten million dollars is estimated cost for more land to expand the greenhouses

Financials - Appendix

Pharmagreen Biotech Inc. Revenue Projections - 5 Year Financial Projections Summary

IoT Greenhouse Estimated Production Revenues

LOW REVENUE RANGE

20 grams per sq ft * 10,000 sq ft =
200,000 grams / 454 grams (1 lb) = 441 lbs *
6 (cycles per yr) = 2,646 lbs annually
At low market price of \$1,200 per lb =
\$3,175,200 per year

MEDIUM REVENUE RANGE

40 grams per sq ft * 10,000 sq ft =
400,000 grams / 454 grams (1 lb) = 881 lbs *
6 (cycles per yr) = 5,286 lbs annually
At middle market price of \$1,800 per lb =
\$9,439,200 per year

HIGH REVENUE RANGE

70 grams per sq ft * 10,000 sq ft =
700,000 grams / 454 grams (1 lb) = 1,542 *
6 (cycles per yr) = 9,252 lbs annually
At high market price of \$2,200 per lb =
\$20,354,400 per year

Tissue Culture Plantlets Estimated Production Revenues

UP TO
10,000 sq. ft.

T.C. Facility
(maximum allowable
by size)

3.6
MILLION

Maximum Number
of Plantlets
Produced in a Year

\$43.2
MILLION

Price per Plantlet
(3.6 Million
Plants * \$12)

\$12

Sales Taxes per
Plantlet:

12%

COGS

20%

Operating
Expenses

Team



Peter Wojcik
CEO

- A decade-plus career filled with high-valued exits across past successful start-ups.
- Expertise spans research and application of cannabis and its extracts as a therapeutic agent.
- University of Regina alumnus, with an advanced degree in Economics.



Terry Kwan
CFO

- Holds over four decades of experience in finance across both public and private sectors.
- Chartered professional accountant with the Institute of Chartered Professional Accountants of BC.
- University of British Columbia alumnus, with a Bachelor of Commerce.



Dr. Fawzia Afreen
COO

- Expertise in plant horticulture, plant tissue culture, and plant production spans almost two decades.
- Holds three international patents, with two published books and over forty articles used in peer-reviewed international journals.
- Completed a Ph.D. in Botany at the University of Hull in the United Kingdom.

THANK YOU!



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Landing Page
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