



Canaccord U.S. Cannabis Symposium
October 3, 2019

CNSX: VREO OTCQX: VREOF

Disclaimer

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION: This document includes information, statements, beliefs and opinions which are forward-looking, and which reflect current estimates, expectations and projections about future events, referred to herein and which constitute “forward-looking statements” or “forward-looking information” within the meaning of Canadian and U.S. securities laws. Statements containing the words “believe”, “expect”, “intend”, “should”, “seek”, “anticipate”, “will”, “positioned”, “project”, “risk”, “plan”, “may”, “estimate” or, in each case, their negative and words of similar meaning are intended to identify forward-looking statements. By their nature, forward-looking statements involve a number of known and unknown risks, uncertainties and assumptions concerning, among other things, the Company’s anticipated business strategies, anticipated trends in the Company’s business and anticipated market share, that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. In addition, even if the outcome and financial effects of the plans and events described herein are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods. Although the Company has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors and risks that cause actions, events or results not to be as anticipated, estimated or intended. Forward-looking information contained in this presentation is based on the Company’s current estimates, expectations and projections, which the Company believes are reasonable as of the current date. The Company can give no assurance that these estimates, expectations and projections will prove to have been correct. You should not place undue reliance on forward-looking statements, which are based on the information available as of the date of this document. Forward-looking statements contained in this document are made of the date of this presentation and, except as required by applicable law, the Company assumes no obligation to update or revise them to reflect new events or circumstances.

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CAUTIONARY NOTE REGARDING FUTURE-ORIENTED FINANCIAL INFORMATION: To the extent any forward-looking information in this presentation constitutes “future-oriented financial information” or “financial outlooks” within the meaning of applicable Canadian securities laws, such information is being provided to demonstrate the anticipated market penetration and the reader is cautioned that this information may not be appropriate for any other purpose and the reader should not place undue reliance on such future-oriented financial information and financial outlooks. Future-oriented financial information and financial outlooks, as with forward-looking information generally, are, without limitation, based on the assumptions and subject to the risks set out above under the heading “Cautionary Note Regarding Forward-Looking Information”. Vireo’s actual financial position and results of operations may differ materially from management’s current expectations and, as a result, Vireo’s revenue and expenses may differ materially from the revenue and expenses profiles provided in this presentation. Such information is presented for illustrative purposes only and may not be an indication of Vireo’s actual financial position or results of operations.

CANNABIS-RELATED ACTIVITIES ARE ILLEGAL UNDER U.S. FEDERAL LAWS

The U.S. Federal Controlled Substances Act classifies “marihuana” as a Schedule I drug. Accordingly, cannabis-related activities, including without limitation, the cultivation, manufacture, importation, possession, use or distribution of cannabis and cannabis products are illegal under U.S. federal law. Strict compliance with state and local laws with respect to cannabis will neither absolve the Company of liability under U.S. federal law, nor will it provide a defense to any federal prosecution which may be brought against the Company with respect to adult-use or recreational cannabis. Any such proceedings brought against the Company may adversely affect the Company’s operations and financial performance. Prospective investors should carefully consider the risk factors described under “Risk Factors” in this presentation before investing directly or indirectly in the Company and purchasing the securities described herein.

“We are building the cannabis company of the future by bringing the best of science, medicine and engineering to the cannabis industry.”

- Kyle Kingsley, M.D.
Founder & CEO

Vireo By The Numbers



400+
Employees



11
States ⁽¹⁾



7
Research
Partnerships



18.5M
FY18 Revenue



80M
Addressable
Market Population



13
Patents-Pending



11
Manufacturing
Licenses



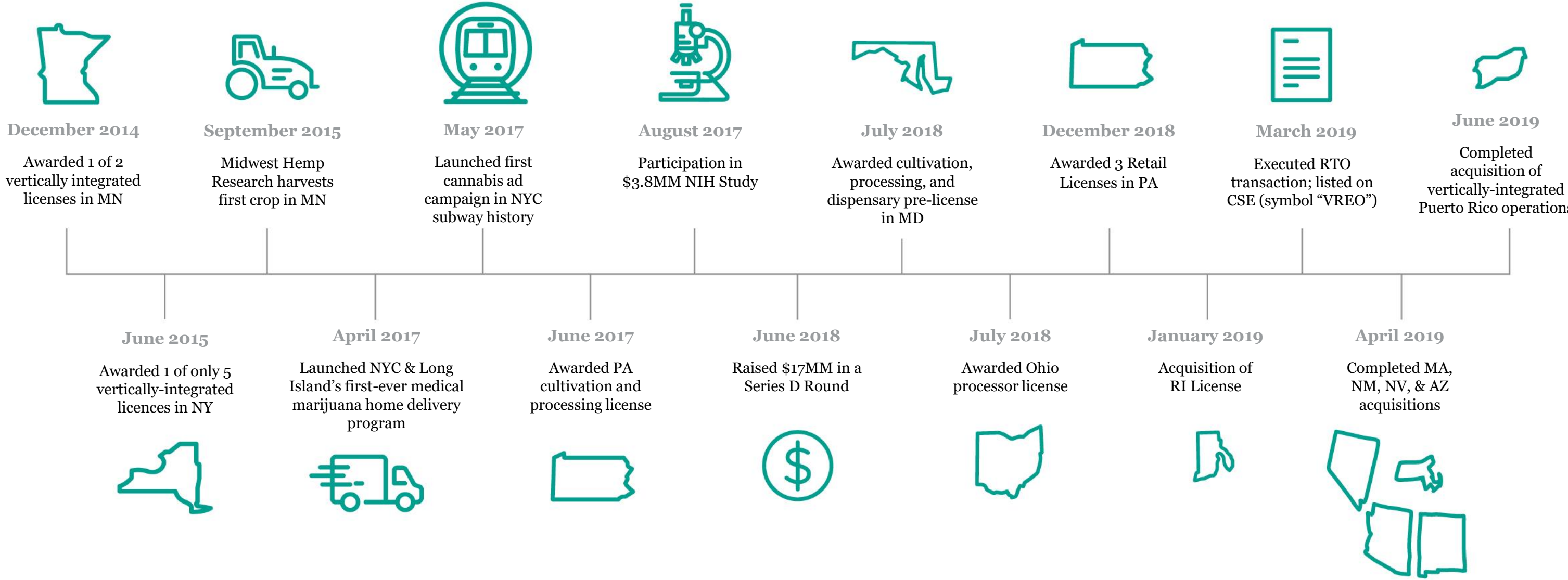
32
Dispensary
Licenses



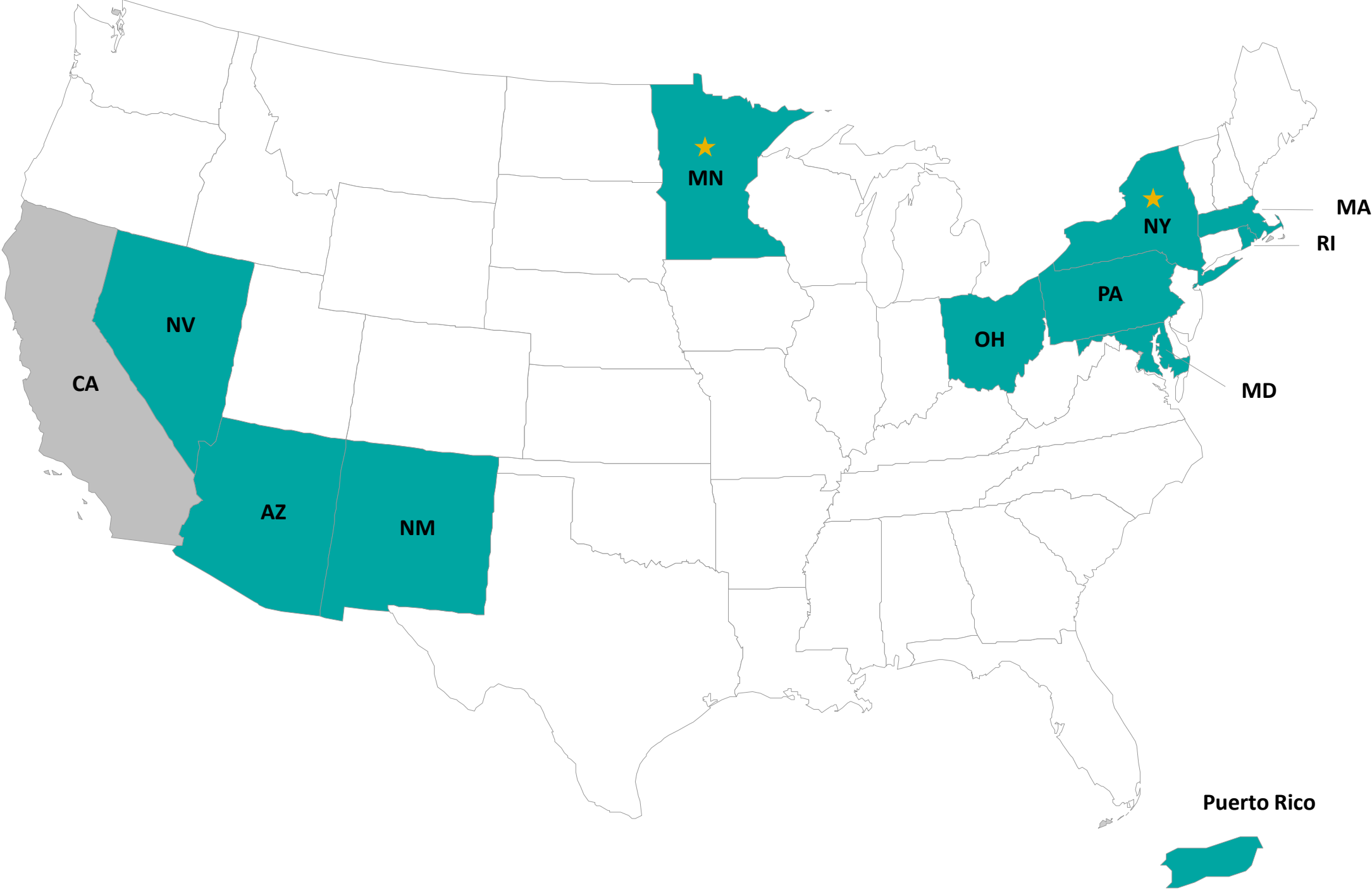
2
Hemp
Licenses

(1) Including Puerto Rico.

Corporate Timeline



Vireo's Footprint



- Current Footprint
- Subject to pending transactions
- ★ Hemp assets

State-by-State Snapshot of Operations:



Minnesota

New York

Pennsylvania

Maryland

Ohio

Rhode Island

Arizona

Puerto Rico

Nevada

Massachusetts

New Mexico

California⁽¹⁾

Population (MM)	5.6	19.9	12.8	6.0	11.7	1.1	7.0	3.7	3.1	6.9	2.1	39.8
Status	Current	Current	Current	Current	Current	Current	Current	Current	Current	Current	Current	LOI
Ownership	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	-
Cultivation	✓	✓	✓	✓	-	✓	✓	✓	✓	✓	✓	-
Processing	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-
License Regime	Medical	Medical	Medical	Medical	Medical	Medical	Medical	Medical	Medical and Adult Use	Medical and Adult Use	Medical	Medical and Adult Use
Year Received	2014	2015	2017	2018	2018	2018	2018	2018	2018	2019	2019	N/A
Manufacturing Facilities	 36,800 sq. ft. greenhouse / warehouse	 59,300 sq. ft. greenhouse / warehouse	 89,000 sq. ft. warehouse	 22,500 sq. ft. warehouse	 11,300 sq. ft. lab and processing facility	 4,500 sq. ft. warehouse	 48,900 sq. ft. greenhouse	 32,000 sq. ft. warehouse	 Permitted for 16 greenhouses	 1 facility pre-operational	 3,000 sq. ft. warehouse	-
Retail Footprint					-	-			-			
Other	 Hemp license	 wholesale + delivery + hemp license	 wholesale	 wholesale	 wholesale	 wholesale	 wholesale	 wholesale	 wholesale	 wholesale	 wholesale	-

Leadership Team



Kyle Kingsley, M.D. – *Chief Executive Officer*

Dr. Kingsley is a board-certified emergency medicine physician, entrepreneur, and inventor. Dr. Kingsley has a strong track record of winning and implementing medical cannabis licenses in well-regulated, medically-modelled states.



Ari Hoffnung – *Chief Operating Officer*

Ari previously served as New York City’s Deputy Comptroller for Budget & Public Affairs, where he oversaw the City’s \$70 billion budget. Prior to that, he was a Managing Director at Bear Stearns, where he worked for more than a decade.



Stephen Dahmer, M.D. – *Chief Medical Officer*

Dr. Dahmer is a board-certified family physician and fellow of the Arizona Center for Integrative Medicine with over 15 years of active clinical experience. Throughout his career he has studied the relationships between plants and people, working closely with diverse cultures and documenting their uses of plants.



Harris Rabin – *Chief Marketing Officer*

Harris oversees Vireo’s brand marketing, e-commerce, and sales efforts and has two decades of experience including senior leadership roles in the consumer healthcare and beverage industries. He most recently served as Global Vice President of Marketing at Anheuser-Busch InBev (ABInBev).



Amber Shimpa – *Chief Financial Officer*

Amber has served as the Chief Financial Officer of Vireo Health since inception. Prior to joining Vireo Health, Amber spent the last nine years as Vice President of a bank, focused on commercial, nationwide lending.



Michael Schroeder, J.D. – *General Counsel*

Michael has been an attorney for over 25 years, including 6 years in law firm practice in the New York City area and the balance as an in-house attorney. He previously served as General Counsel for two public companies.



Eric Greenbaum, M.S., J.D. – *Chief Scientific Officer*

Eric is the Chief Scientific Officer of Vireo Health and has an impressive combination of scientific and legal expertise. Since joining Vireo Health, Eric has been instrumental in developing our IP portfolio and driving our R&D efforts.

1

Opportunistic Growth

Organic Growth Through Merit-Based License Wins

Cost-Effective M&A Activity

Existing Market Augmentation

2

Best-in-Class Customer Experience

Highly Professional Retail Apparatus

Home Delivery

E-Commerce

Brands

3

Real Intellectual Property

Industrial Scale Process and Equipment

Novel Proprietary Cannabis Formulations

Hemp Strategy

Ancillary IP

**Best-in-Class Customer Experience:
Retail Dispensaries**

Green Goods™ Dispensary Concept Launching in Pennsylvania

Slide content reflects build-out of Bethlehem, PA location



Best-in-Class Customer Experience: Home Delivery & In-Store Pick-Up

The screenshot displays the Vireo New York website. At the top, the logo is on the left, and navigation links (SHOP, PATIENT REGISTRATION, MAKE AN APPOINTMENT, RESOURCES, CONTACT US, LOCATIONS) and utility links (View Cart (0), LOGIN, REGISTER) are on the right. The main content area features a background image of hands holding a cardboard box. A white overlay contains the text: "From our Greenhouse to Your Front Door (free home delivery for a limited time only) Check if We Deliver in Your Area". Below this is a form with a location pin icon, the text "Enter Zip Code or Home Address", and a green arrow button. A teal banner at the bottom contains the heading "GET VIREO'S MEDICAL MARIJUANA PRODUCTS DELIVERED IN 3 EASY STEPS" and three steps: 1. Order Online (shopping cart icon), 2. Track Your Delivery (location pin icon), and 3. Accept Delivery (box icon). Each step includes a brief description of the process.

Best In Class Customer Experience: Brands



Pharmaceutical-grade
Products Geared Toward
Patients



High Potency Products for
a Sophisticated Consumer



High-Quality, Innovative
Products for a Curious,
Socially-Conscious Consumer



Balanced, Comfortable,
Reliable Products for
Everyday Wellness

Real Intellectual Property: Research Partners



Exclusive agreement to study the use of Captisol in the development and commercialization of pharmaceutical-grade cannabinoid-based products



Randomized trial of medical cannabis in patients with newly diagnosed, stage IV cancer to assess impact on cancer-related symptoms



Study to evaluate cannabis use among older adults – how they consume, why they consume and how often



IRB-approved research study to examine older adults' use of medical cannabis for chronic pain



National Institute of Health R01 \$3.8MM research grant for the first, long-term study of medical cannabis' impact on opioid use in adults with chronic pain

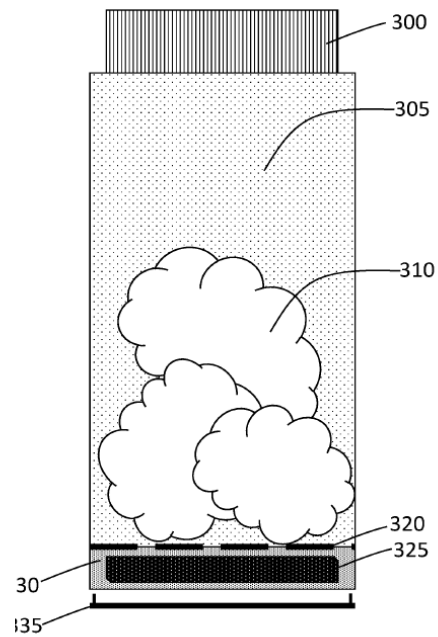
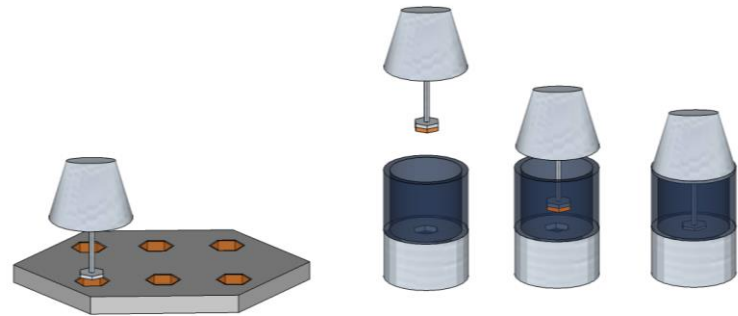


Initiative to bring together diverse stakeholders in the cannabis therapy space, to advance scientific understanding of medical marijuana and its derivatives, and to provide evidence-based resources for patients and their caregivers



University of Minnesota: Fasting, fed and chronic therapy pharmacokinetic research project combining neuropsychological testing, DNA testing and seizure control monitoring

Real Intellectual Property: Current Portfolio



Short Term Monetization

- Cannabis Moist Snuff Composition
- Multi-Channel Vaporizer
- Non-Cannabinoid Negative Control Formulations (Placebo)
- Proprietary Inflorescence Packaging
- Novel Extractor Technology
- Scaled Cannabis Processing Equipment
- Proprietary Concentrate Delivery Method
- Front-to-Back Home Delivery System

Long-Term Applications

- Harm Reduction Additive for Tobacco Products
- Method for Treating Antidepressant Withdrawal Syndrome
- Captisol-Enabled Intravenous Cannabinoid Formulations
- Custom Extract Dispenser
- Agriculture-Scale Equipment

Real Intellectual Property: Hemp

Vireo is focused on the multi-billion dollar hemp market opportunity by developing combine-friendly, high-cannabinoid cannabis cultivars along with innovative consumer products.

1

Midwest Hemp Research - Minnesota

Licensed to Cultivate and
Process Industrial Hemp

Growing Hemp Since 2015

Building Out Hemp

Breeding Facility

2

1776 Hemp – New York

Licensed to Cultivate and
Process Industrial Hemp

Cutting edge 15,200 sq. ft.

Facility Under Development



Midwest
Hemp Research

1776 HEMP

Fiscal Year 2019 Development Plans

During fiscal year 2019, Vireo expects to:

- Launch Green Goods™ dispensaries in Pennsylvania and expand its retail footprint in New Mexico
- Increase cultivation and processing capacity in Arizona, Minnesota, New Mexico and New York
- Begin building new facilities in Massachusetts, Nevada, Puerto Rico, and Rhode Island
- Roll out new cannabis brands and innovative products in multiple state-based markets
- Begin wholesaling Vireo branded products to third-party dispensaries in Ohio
- Plant industrial hemp crops for IP development in Minnesota and New York
- The Company now anticipates exiting fiscal year 2019 with between 16 and 20 operational dispensaries across its nationwide footprint.



Board of Directors



Kyle Kingsley, M.D. – *Chairman, Chief Executive Officer*

Dr. Kingsley is a board-certified emergency medicine physician, entrepreneur, and inventor. Dr. Kingsley has a strong track record of winning and implementing medical cannabis licenses in well-regulated, medically-modelled states.



Amber Shimpa – *Chief Financial Officer*

Amber has served as the Chief Financial Officer of Vireo Health since inception. Prior to joining Vireo Health, Amber spent the last 9 years as Vice President of a bank, focused on commercial, nationwide lending.



Ari Hoffnung – *Chief Operating Officer*

Ari previously served as New York City's Deputy Comptroller for Budget & Public Affairs, where he oversaw the City's \$70 billion budget. Prior to that, he was a Managing Director at Bear Stearns, where he worked for more than a decade.



Chad Martinson, CPA – *Independent Director*

Chad has served as the Chief Executive Officer of ACOVA Integrated Health since November 2017. Previously he served as Chief Operating Officer and Chief Financial Officer of ACOVA Integrated Health, and CFO and Executive Vice President of Operations at Upsher-Smith Laboratories.



Chelsea A. Grayson, JD – *Independent Director*

Chelsea A. Grayson is the CEO and a board member of True Religion, and a Board Leadership Fellow and a Corporate Governance Fellow with the National Association of Corporate Directors (NACD). Prior to taking the CEO role with True Religion, she was the CEO and a board member of American Apparel (formerly NYSE MKT: APP).



Judd Nordquist, CPA – *Independent Director*

As a Business Partner at Abdo, Eick & Meyers, LLP, Judd helps business owners with business and tax planning, mergers and acquisitions, cash flow management, budgeting, and overhead computations. Since 1995, Judd has specialized in providing accounting, auditing, and consulting services to the construction, real estate, and manufacturing industries.



Amy Langer, CPA – *Independent Director*

Ms. Amy L. Langer, CPA, is the Co-founder of Salo Corporation. At Salo, Ms. Langer has driven growth and brand affinity through analysis of market gaps, architecting and leading innovative strategy, and establishing sustainable and scalable infrastructure. Ms. Langer also serves on the board of directors for HealthPartners and GreaterMSP.



vireo

vireohealth.com

Key Second Quarter 2019 Financial Metrics

<i>\$ in millions</i>	Three Months Ended			Six Months Ended		
	2019	June 30, 2018	Variance	2019	June 30, 2018	Variance
Revenue	\$7.2	\$4.2	\$3.0	\$13.0	\$7.9	\$5.1
Gross Profit Before Fair Value Adjustments	\$2.5	\$2.4	\$0.1	\$5.2	\$4.2	\$1.0
<i>% Margin</i>	35.3%	56.6%	-2,134 bps	40.4%	53.7%	-1,324 bps
Gross Profit After Fair Value Adjustments	\$6.8	\$4.0	\$2.8	\$14.2	\$6.4	\$7.8
<i>% Margin</i>	94.3%	95.0%	-75 bps	109.5%	80.4%	2,908 bps
SG&A Expenses	\$2.5	\$0.7	\$1.8	\$3.9	\$1.4	\$2.5
<i>SG&A (% of sales)</i>	34.6%	16.4%	1,824 bps	30.3%	18.1%	1,228 bps
Net Income (Loss)	(\$1.9)	\$0.1	(\$2.0)	(\$5.3)	(\$1.9)	(\$3.4)
Adjusted Net Income (Loss)	(\$0.4)	\$0.4	(\$0.8)	\$0.1	(\$0.5)	\$0.6
Adjusted EBITDA (non-IFRS)	\$2.3	\$2.1	\$0.1	\$6.5	\$2.4	\$4.0
Adjusted EBITDA Margin (non-IFRS)	31.4%	50.8%	-1,936 bps	49.8%	30.6%	1,922 bps

Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)

VIREO HEALTH INTERNATIONAL, INC. (FORMERLY DARIEN BUSINESS DEVELOPMENT CORP.) CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS (unaudited)

For the Three Months Ended June 30, 2019 and 2018
(Expressed in United States Dollars)

	Three Month Period Ended June 30, 2019	Three Month Period Ended June 30, 2018
REVENUE	\$ 7,194,312	\$ 4,229,115
Production Costs	(4,656,526)	(1,834,688)
Gross Profit Before Fair Value Adjustments	\$ 2,537,786	\$ 2,394,427
Realized Fair Value Amounts Included in Inventory Sold	(7,593,886)	(2,391,654)
Unrealized Fair Value Gain on Growth of Biological Assets	11,839,036	4,016,408
Gross Profit	\$ 6,782,936	\$ 4,019,181
EXPENSES		
Depreciation	\$ 170,275	\$ 199,876
Professional fees	994,077	245,282
Salaries and wages	1,728,517	920,838
Selling, general and administrative expenses	2,490,278	692,582
Share Based Compensation	255,765	281,517
	\$ 5,638,912	\$ 2,340,095
OTHER INCOME (EXPENSE)		
Loss on Sale of Property and Equipment	\$ (529)	\$ (19,114)
Interest expense	(1,077,182)	(348,444)
Interest income	81	-
Accretion expense	(40,591)	-
Listing expense	-	-
Acquisition related costs	(772,110)	-
Write down of inventory	(479,803)	-
Other expense	(1,347)	5,552
Total Other Income (Expense)	\$ (2,371,481)	\$ (362,006)
INCOME (LOSS) BEFORE INCOME TAXES	\$ (1,227,457)	\$ 1,317,080
Current income taxes	\$ (460,000)	\$ (595,000)
Deferred income taxes	(185,000)	(602,000)
PROVISION FOR INCOME TAXES	\$ (645,000)	\$ (1,197,000)
INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)	\$ (1,872,457)	\$ 120,080
Weighted Average Shares Outstanding - basic and diluted	23,272,657	52,575,362
Net Earnings Per Share - basic and diluted	\$ (0.08)	\$ 0.00



Consolidated Statements of Financial Position

VIREO HEALTH INTERNATIONAL, INC.
(FORMERLY DARIEN BUSINESS DEVELOPMENT CORP.)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(unaudited)
 June 30, 2019 and December 31, 2018
 (Expressed in United States Dollars)

	June 30, 2019	December 31, 2018
ASSETS		
Current Assets		
Cash	\$ 30,340,456	\$ 9,624,110
Receivables	704,870	1,671,257
Inventories	34,132,952	21,379,722
Biological Assets	9,460,425	5,967,150
Prepaid Expenses	2,277,835	962,297
Deferred acquisition costs	68,790	1,885,653
Deferred financing costs	-	448,480
	\$ 76,985,328	\$ 41,938,669
Non-Current Assets		
Property and Equipment	\$ 34,484,297	\$ 22,847,283
Deposits	2,737,601	2,259,735
Deferred Loss on Sale Leaseback	29,668	26,596
Goodwill	4,484,490	-
Intangible Asset	39,720,788	2,184,565
Due from Related Party	67,413	-
	\$ 81,524,257	\$ 27,318,179
Total Assets	\$ 158,509,585	\$ 69,256,848
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities		
Accounts Payable and Accrued Liabilities	\$ 5,899,593	\$ 2,512,389
Deferred Lease Inducement - Current Portion	547,375	341,555
Share issuance obligation	2,569,125	-
Current portion lease obligations	373,658	338,638
Current portion of Long-Term Debt	1,010,000	1,010,000
	\$ 10,399,751	\$ 4,202,582
Long-Term Liabilities		
Deferred Rent	\$ -	\$ 271,091
Deferred Income Taxes	8,160,000	6,508,000
Deferred Lease Inducement	7,565,459	4,781,770
Lease Obligations	17,207,476	11,839,152
Convertible debt	2,975,249	-
	\$ 46,307,935	\$ 27,602,595
Shareholders' Equity		
Share Capital	\$ 114,685,239	\$ 41,965,556
Reserves	5,912,978	2,766,050
Retained Earnings	(8,396,567)	(3,077,353)
	\$ 112,201,650	\$ 41,654,253
Total Liabilities and Equity	\$ 158,509,585	\$ 69,256,848



Reconciliation of IFRS to Non-IFRS Financial Measures

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Net income (loss)	\$ (1,872,457)	\$ 120,080	\$ (5,319,214)	\$ (1,909,622)
Listing expense	-	-	3,464,611	-
Acquisition related costs	772,110	-	772,110	-
Write down of inventory	479,803	-	752,696	-
Share-based compensation	255,765	281,517	456,952	1,411,841
Adjusted net income (loss) (non-IFRS)	<u>\$ (364,779)</u>	<u>\$ 401,597</u>	<u>\$ 127,155</u>	<u>\$ (497,781)</u>
Net income (loss)	\$ (1,872,457)	\$ 120,080	\$ (5,319,214)	\$ (1,909,622)
Interest income	(81)	-	(157)	-
Interest expense	1,077,182	348,444	2,101,073	742,017
Accretion expense	40,591	-	50,262	-
Income taxes	645,000	1,197,000	2,857,000	1,920,000
Depreciation	170,275	199,876	544,054	256,202
Amortization	691,364	-	785,044	-
EBITDA (non-IFRS)	<u>\$ 751,874</u>	<u>\$ 1,865,400</u>	<u>\$ 1,018,062</u>	<u>\$ 1,008,597</u>
Listing expense	-	-	3,464,611	-
Acquisition related costs	772,110	-	772,110	-
Write down of inventory	479,803	-	752,696	-
Share-based compensation	255,765	281,517	456,952	1,411,841
Adjusted EBITDA (non-IFRS)	<u>\$ 2,259,552</u>	<u>\$ 2,146,917</u>	<u>\$ 6,464,431</u>	<u>\$ 2,420,438</u>