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An International Marijuana Stock | Scythian Biosciences (SCYB: TSXV)

April 28th, 2018

We have been patiently waiting for regulatory policy to clarify, foreign markets to open up, and for the excessive hubris in Canada's junior marijuana market to subside. Now, armed with more knowledge and a better understanding of where the marijuana space is heading in 2018 and beyond, we are ready to introduce our next investment opportunity...



Health Canada's world-leading progressive policies, a majority pro-marijuana federal Liberal government, and the nation's entrepreneurial capital markets have created a perfect storm for select Canadian cannabis companies on the global stage. As outlined in recent Weekly Volumes, we strongly believe Canadian firms must export their cannabis and/or marijuana-related expertise abroad if valuations are to sustainably grow. Industry leaders understand that Canada's domestic market is too small to justify continued long-term market capitalization growth, ***so they are beginning to make international moves.***

The Answer Is Clear: International Exposure Is The Path To Higher Valuations

The stage is set for the biggest export rush (of product and marijuana-related expertise) in Canadian history. Foreign country import and export licenses, along with strategic alliances, research programs and acquisitions, will help crown the victors of this global export boom. As hundreds of millions of people living all over the developed and developing world look to embrace medical and in some cases recreational marijuana, we have identified a Canadian-based company positioned to potentially capitalize on this movement.

Aligning With Aphria – One Of Canada's Biggest Marijuana Companies

Aphria is separating itself from many Canadian growers. With an approximate CAD\$2 billion market cap, and massive supply coming online in 2019 and 2020, Aphria is not content only servicing its domestic market. Its recent operating highlights from Q3, [released on April 16th](#), show a company looking to build momentum:

“Tenth consecutive quarter of positive adjusted EBITDA. \$2.9 million in adjusted EBITDA in the quarter, a 238% increase from the prior year...”

Aphria clarified its two major expansions in that same press release:

“Aphria One – 700,000 square foot Part IV expansion project remains on-time, first sale continues to be expected in January 2019;

Aphria Diamond – 1,300,000 square foot retrofit project remains on-time, first sale continues to be expected in January 2019;”

And Aphria is not alone; other domestic growers are ramping up output capacity in anticipation of federal recreational legalization here in Canada. A supply glut has been [forecasted by many industry commentators](#), and could result in prices dropping domestically, just as it did in Colorado after sufficient supply came online. So what to do? Go international, of course.

Our mantra is: Access equals valuation.

For that reason, we are about to introduce a TSX Venture (and Nasdaq International-listed) emerging player with agreements with foreign entities focused on the cannabis sector in various countries.

Vic Neufeld, Aphria’s CEO, stated in an [April 16th press release](#),

“Looking ahead, our focus remains on exploring strategic opportunities and partnerships globally while continuing our extensive preparations for the coming legalization of the adult-use market in Canada.”

While most familiar with the marijuana industry know Vic Neufeld as the President and CEO of Aphria, few investors in Canada and the U.S. know he has been involved with (as investor through Aphria, and former Chairman) a lesser-known, CAD\$170 million market cap company. Aphria currently owns roughly 9.9% of the outstanding shares of the company we are about to introduce ([according to a recent press release](#)). And, most importantly, this junior has signed not one, but three LOI’s in relation to acquiring or taking a large ownership in a marijuana-related company in Jamaica, Columbia and Argentina. We’ll explain the details and potentially large international opportunity of these letters of intent shortly...

Tire Kicking – Scythian Biosciences (SCYB:TSXV)

We recently traveled to Leamington, Ontario, to speak with Vic Neufeld and learn more about Aphria’s investment in ***Scythian Biosciences (SCYB: TSXV), our featured company in the global marijuana space.*** Vic Neufeld was Scythian’s Chairman at the time of our interview. We also spoke with the company’s newly appointed Chairman, George Scorsis, during our visit.



Tour of Aphria Marijuana Facility with Vic Neufeld, Former Chairman of Scythian Biosciences

Watch our exclusive video filmed at Aphria's Leamington Ontario facility. Find out more about Aphria's and Scythian's relationship.

Scythian is a relatively new company, which began trading less than a year ago. Its noteworthy developments in 2018 relate to foreign markets in South America and the Caribbean. Scythian is in the process of acquiring companies already set up in foreign jurisdictions; that is key to remember as you read this report. One of its recent letters of intent (LOI), announced on [April 9, 2018](#), relates to the Colombian market...

The company stated that, *"Closing of the Acquisition will strengthen Scythian's Latin American platform with three Colombian cannabis licences including for cultivation of CBD, THC and extraction of cannabis derivatives..."*

*Full press release [here](#).

Scythian's Relationship With Aphria

Scythian's relationship with Aphria was fundamental to our decision to work with the company; and we intend to purchase shares of Scythian following the release of this report.

When Mr. Vic Neufeld was a board member for Scythian, his comment in a [press release](#) was noteworthy:

"Latin America, the Caribbean and Europe present incredible opportunities for those with proven track records when you consider the combined number of licenses granted to date for a population count of well over 1.5 billion outside of Canada and the US is fewer than the number granted to the Canadian market with 36 million people."

Days later, on [January 17th](#), Scythian Biosciences announced Aphria as its lead investor in a CAD\$20 million financing.

On February 13th, Scythian Biosciences closed a CAD\$28.7 million financing with Aphria Inc. as its lead investor. In this past week's [press release](#) from Scythian, Mr. Neufeld stated Aphria owns an approximate 9.9% equity stake of Scythian, which is now well-funded to execute on its business plan.

The day after closing that large financing in February, [Scythian announced](#) approval for listing on the NASDAQ exchange (Nasdaq International Designation), and that its management would ring the closing bell at the Nasdaq MarketSite in Times Square, New York City on February 22, 2018. We had already begun watching Scythian at this point, and knew they were not just 'another Canadian marijuana company.'

The Building Of A Team And How Scythian Got To This Moment

Vic Neufeld was previously the Chairman of Scythian Biosciences. Last week he stepped down for a noteworthy reason which relates directly to Aphria...

In an [April 25th press release](#), Vic Neufeld explained the recent Board changes, *"In accordance with Aphria's recently announced corporate governance policies, Renah and myself are stepping down from the Board of Scythian."*

Neufeld continued,

"Aphria views its approximate 9.9% equity stake in Scythian as a long term investment and to ensure best arms-length compliance as part of an expanding partnership the Aphria and Scythian Boards mutually agreed to this necessary change."

Vic explains his long-term relationship with Scythian in our exclusive interview filmed in March, 2018.

Mr George Scorsis has taken over as Scythian's Chairman, as of April 24th. Mr. Scorsis served as President of Red Bull Canada from July 2011 until October 2015 and was instrumental in restructuring the organization from a geographical and operational perspective, and growing the business to \$150 MM in revenue. In that role, he also worked closely with Health Canada on guidelines regulating the energy drink category. Most recently, Mr. Scorsis was with Mettrum Health Corp. as President and was fundamental in shaping MettrumTM and Mettrum OriginalsTM. Under his leadership, the company was acquired in a deal valued at CAD\$430 million.

In many ways, Europe, on a broad level, is the proverbial *Holy Grail* for both medical and recreational marijuana. With a population far exceeding the United States, progressive policy and relatively high median incomes in many of its countries, the EU is ripe to become the largest marijuana consuming market on earth...

On April 25th, Scythian Biosciences appointed Rob Reid as its CEO... we're highlighting the businessman because:

Mr. Reid is a leading business figure in Europe's legal cannabis industry. He is co-founder of Cannabis Europa, a conference series that will focus on the science and policy required to shape the future of Europe's medical cannabis industry. He is also a partner of European Cannabis Holdings, a private investment firm focused on building out ancillary assets across the region.

Let's take a quick look at the European landscape:



Germany – Europe's largest economy with roughly 83 million people – legalized marijuana for medical use for people with severe ailments such as multiple sclerosis in 2017.



Holland (often viewed as Europe's haven for marijuana) – with a population of roughly 17 million people – allows small amounts of marijuana to be purchased by citizens from 'coffee shops' and even allows for cultivation of a few plants in some instances. But it is speculated by many that significant deregulation is coming to the Netherlands soon. DutchReview.com reported "As the United States and Canada are relaxing their cannabis laws, the Dutch city councils and mayors are calling for better and deregulated cannabis laws in the Netherlands in 2018..."



France – Europe’s third biggest economy and home to roughly 67 million people – has some of the harshest marijuana laws, yet “more people consume this drug than in almost any other European country,” [according to French24](#). French politicians want to go to a fixed fine approach to marijuana recreational use, according to a recent parliamentary report. This could be a step toward overall legalization. Currently, a very limited type of cannabis products are permitted for medical use in France.



Italy – with roughly 60 million people and Europe’s fourth largest economy – legalized medical marijuana for certain use-cases in 2013. [Marijuana.com reported](#), *“One country in particular that’s moved towards a more understanding view of cannabis is Italy. In the last few years, the Italians have managed to almost completely decriminalize marijuana. As well, they have introduced a medical cannabis program and cultivated domestic crops for Italian patients.*

The Radicali Italiani movement, with help from many other anti-prohibitionist groups, is in the process of drafting a bill to legalize adult-use cannabis. If successful, this would be the catalyst for a robust Italian cannabis industry much like the in-coming system in Canada.”



Great Britain – Europe’s second largest economy with 66 million people – has some harsh laws on marijuana use according to The Sun’s report a week ago. [The Sun stated](#), *“CANNABIS has been completely illegal in the UK since 1971, but now calls are growing for the laws restricting the Class-B drug to be relaxed.”*

[Cannabis Now reported](#) *“However, following the plight of Alfie Dingley, a six-year-old epileptic whose family was forced to relocate to the Netherlands to give him cannabis oil, even lawmakers from the UK’s leading Conservative Party are asking authorities in Prime Minister Theresa May’s government to relent.”*

We strongly believe much of the European market will relax marijuana laws at a minimum, and likely evolve to full recreational use if Canada’s recreational legislation is viewed as a success. And it appears Scythian is creating a management team that can navigate across the pond, particularly due to the recent appointment of Mr. Rob Reid as CEO.

Let’s look at what is happening south of us, in the Caribbean and Latin America, for Scythian...

Scythian Expands Global Reach

March and April of this year have been very important for Scythian. The company has begun to evolve by expanding its global reach. March is when talk of strategic alliances abroad outlined in Scythian’s business model, turned into action...

[On March 12th](#), Scythian entered into a non-binding letter of intent dated March 11, 2018 with MMJ International Investments Inc. (“MMJ”) to acquire MMJ, a company pursuing medical cannabis opportunities in South America. MMJ is the owner of an Argentina-based corporation, ABP S.A. (“ABP”).



International market number 1 – Argentina. Population of roughly 43 million people.

ABP is a pharmaceutical import and distribution company, which is licensed to import, sell and distribute medical products and derivatives in Argentina.

Vic Neufeld, a director of Scythian at the time, stated,

“Scythian is expanding its reach into Argentina under the auspices of one of the nation’s leading importers and distributors of pharmaceuticals.”

See [here](#) and [here](#) for full details of the letter of intent announcements.

The subtitle of Scythian’s March 12th press release read:

Scythian Takes First Step Into The Global Cannabis Markets, Expanding Its Business Model And Complementing Its R&D Programs

On [Wednesday, April 18th](#), Scythian announced ABP’s first purchase order with Aphria. The order is to supply a renowned pediatric hospital for research and education.



Scythian Announces ABP S.A.’s First Purchase Order with Aphria Inc.

– Order to Supply World Renowned Pediatric Hospital for Research and Education –



April 18, 2018 09:02 ET | Source: Scythian Biosciences Corp.

TORONTO, April 18, 2018 (GLOBE NEWSWIRE) — Scythian Biosciences Corp. (the “Company” or “Scythian”) (TSXV:SCYB) (Frankfurt:9SB) (OTC – Nasdaq Intl:SCCYF) is pleased to announce that Argentina-based ABP S.A. (“ABP”), a pharmaceutical import and distribution company that Scythian is in the process of acquiring, has received its first purchase order (the “Order”) of CBD oil, which is to be fulfilled under the supply agreement with Aphria Inc. (TSX:APH) (“Aphria”), a prominent Canadian producer of medical cannabis. The Order is for Aphria’s renowned CBD oil strain, Rideau.

ABP’s first order will go to the Dr. Juan P. Garrahan Pediatric Hospital (the “Hospital”), a highly recognized and one of the most credible medical institutions in South America, to support a first of its kind clinical study focused on treating refractory epilepsy in children. The study, which will be conducted over 2.5 years, will also determine the product’s pharmacokinetics in order to optimize the dosage of future treatments. The study will include the participation and guidance of some of the top neurologists and pediatric specialists in the country. Additionally, with the support of Scythian and ABP, a training program will be conducted during and after the study to train and educate a network of specialized doctors across multiple provinces in the

screen shot from Globe News Wire

Scythian explained,

“ABP’s first order will go to the Dr. Juan P. Garrahan Pediatric Hospital (the “Hospital”), a highly recognized and one of the most credible medical institutions in South America, to support a first of its kind clinical study focused on treating refractory epilepsy in children.”

Also,

“...with the support of Scythian and ABP, a training program will be conducted during and after the study to train and educate a network of specialized doctors across multiple provinces in the country using Aphria’s pharmaceutical grade medical cannabis.”

Scythian’s business model is driven by science and data, followed by aligning commercial opportunities. The key for Scythian will be how quickly it can establish itself in the global markets. This first purchase agreement between ABP and Aphria indicates to us Scythian can help open doors to international markets, broker a deal with a leading medical facility, and arrange access to product via Aphria – a leading Canadian marijuana grower that happens to own an approximate 9.9% equity stake in Scythian.

On March 22nd, Scythian Biosciences (SCYB: TSXV) announced the expansion of its global footprint into Jamaica with a binding letter of intent. Scythian reported that,

“The Acquisition will result in Scythian becoming a major stakeholder [49% interest] of Marigold Projects Jamaica Ltd. (“Marigold”), a Jamaican company, which has received conditional licenses to cultivate, process, sell and provide therapeutic or spa services utilizing cannabis products.”

Marigold was granted one of only three original permits in Jamaica by the Ministry of Science and Technology for the research and development of cannabis products.

Furthermore,

“The experimental R&D permit allows for the immediate cultivation of cannabis. Also, the University of West Indies and Marigold have signed a strategic agreement to jointly develop and test products derived from high cannabidiol cannabis sativa strains to establish their efficacy in treating diabetes, hypertension, pain and other ailments.”

Jonathan Gilbert, Scythian’s former CEO, stated,

“Scythian is honoured to join forces with the prestigious cannabis research program at the University of West Indies where scientists have been exploring its medical possibilities since 1980.”

Moreover,

“This foundation of scientific research, combined with cultivation and processing capacity, positions Scythian as a leader in the Jamaican medical cannabis industry.”

Gilbert added,

“We are delighted to add Jamaica’s leading medical cannabis company under the Scythian umbrella as we continue to build our foothold in the international market.”

And that,

“This acquisition will provide Scythian with a highly scalable production profile in an environment that produces year-round yields combined with increased research opportunities with the inclusion of new strains and growing environments to test in partnership with the University of West Indies.”

[Click here](#) to read the full press release and details of the binding letter of intent.



International market number 2 – Jamaica. Jamaica’s population is roughly 2.8 million people. According to Jamaica Information Service, a record 4.3 million tourists visited Jamaica in 2017.

Everywhere Scythian goes, it focuses on the science, research and development of medical cannabis. Scythian aims to align with top tier hospitals and leaders in the medical community. From our meeting with former Scythian Chair Vic Neufeld, he expanded on Scythian’s role, stating:

“So, if one understands the concept and the benefit of science, true clinical research and that is what Scythian’s DNA is...”

The [first](#) of two press releases on April 9th explained Scythian’s global expansion efforts with a binding LOI to acquire MMJ Colombia Partners Inc. The first subtitle read:

Closing of the Acquisition will strengthen Scythian’s Latin American platform with three Colombian cannabis licences including for cultivation of CBD, THC and extraction of cannabis derivatives



International market number 3 – Colombia. Colombia’s population is roughly 48.6 million people.

The binding letter of intent to acquire MMJ Colombia Partners is pursuant to the terms of a definitive agreement to be negotiated between the parties ([full details from press release here](#)). Scythian reported,

“The Acquisition will result in Scythian becoming the 100% shareholder of MMJ Colombia, an Ontario company that is expected to finalize the purchase of 90% of the issued and outstanding shares of Colombia-based ColCanna SAS (“ColCanna”) prior to the completion of the Acquisition. The Acquisition is conditional upon the completion of MMJ Colombia’s acquisition of

ColCanna and ColCanna's receipt of the final Colombian licenses for the cultivation, production, research and export of medical cannabis CBD and THC extracts (the "Licenses")."

According to the company,

"ColCanna is the first medical cannabis producer in the Colombian coffee zone to receive pending licenses to cultivate, produce, research, and export medical cannabis CBD and THC extracts. It is a government-backed operation with 35 acres of available land in Chinchina, Caldas, Colombia, all of which is expected to be developed and used for the cultivation of cannabis."

Former Scythian CEO, Jonathan Gilbert, stated in the press release,

"Scythian is proud and privileged to be partnered with Mr. Alejandro Urdaneta Santos to become the first cannabis cultivator in one of the most famous, fertile and temperate climates on Earth."

Moreover,

"With a climate that allows four harvests a year, we can now expand our production, research and retail of the highest quality cannabis products in Colombia and the world."

[Click here](#) to read the full press release and details of the binding letter of intent.



Landscape shot of an area in the Colombia coffee zone – a region known for its beauty, mild climate and excellent growing conditions.

Later that same day, Scythian reported that it was poised to enter Argentina's cannabis market. The two subtitles read:

**ABP S.A., Sets Milestone Receiving Argentina's First & Only Cannabis License
Scythian Sets Pace For Argentina Cannabis Market Through Aphria Partnership And Exclusive Agreements With Country's Largest Pediatric Hospital & Premier Research University**

Scythian announced that Argentina-based ABP S.A. ("ABP"), a pharmaceutical import and distribution company, which Scythian is in the process of acquiring, has received its license to import CBD oil into Argentina. ABP had previously entered into an exclusive international supply agreement for Argentina with Aphria, a prominent Canadian producer of medical cannabis, in anticipation of receiving the License.

Scythian reported,

"Under the terms of the Supply Agreement, Aphria will supply ABP with cannabis products for research and development purposes as well as for distribution to hospitals, retail pharmacies, and private health providers in Argentina's public health system."

Jonathan Gilbert stated,

"Scythian continues to raise the bar in the medical cannabis industry by joining forces with Aphria, a leading, world class cannabis cultivator and processor."

Furthermore,

"The exclusive supply agreement will allow Argentinians access to some of the best that medical science and technology can offer, as both will be able to tap into Scythian's leading-edge research into the benefits of medical cannabis."

[Click here](#) to read the entire press release from April 9, 2018.

Note: Scythian previously announced on March 12, 2018 that it had entered into a non-binding letter of intent with MMJ International Investments Inc. ("MMJ") to acquire MMJ, the sole shareholder of ABP. A binding definitive agreement governing the terms of the acquisition was expected to be entered into by March 31, 2018. On [March 29, 2018](#), Scythian announced an extension to complete and sign a definitive agreement to April 30, 2018. If the acquisition of MMJ is completed, ABP will become a subsidiary of the Company. The acquisition of MMJ is subject to approval from the TSX Venture Exchange.

Scythian Targets Latin America And Caribbean For Expansion

Scythian is preparing to take interest in three significant foreign markets: Argentina, Colombia and Jamaica. With higher birthrates, South American populations are growing much faster than in North America. Argentina is home to roughly 43 million people, while Colombia has over 48 million, making these combined markets almost triple Canada's population. Population data sourced from worldometers.info.

Scythian explains that it is evaluating several strategic initiatives and pursuing partnerships with local cultivators, pharmaceutical import and distribution entities and universities in North America, South America, the Caribbean; and with the appointment of Rob Reid as CEO this past Wednesday, a leading business figure in Europe's legal cannabis industry, potentially Europe. We believe this comprehensive, international approach positions Scythian well going forward.

Apple's Former Senior Manager Of Enterprise Sales & Go-To-Market Strategy Joins Scythian

Scythian confirmed its focus on Latin American and the Caribbean in a press release from [April 17th](#). The company announced the appointments of Gabriel Meneses and Roberto Pérez Ruiz to its senior leadership team. Their bios are impressive...

Mr. Meneses has been appointed Vice President of Latin America and Caribbean and will oversee the development of new market opportunities; while leading other initiatives that further stimulate Scythians growth in international markets.

Mr. Meneses joins Scythian from Apple Inc. where he held the position of Senior Manager of Enterprise Sales & Go-to-Market Strategy. In this role, Mr Meneses led the launch of Apple's first Commercial & Enterprise sales Organization in Latin America and the Caribbean, and effectively grew sales revenue for the company in double-digit growth year-over-year. From our experience, it is rare for a TSX Venture-listed company to attract this kind of talent. Scythian also trades on the OTC-NASDAQ Intl. under the symbol SCCYF.

Before that, Mr. Meneses held various International Sales and Marketing senior leadership roles for Cisco Systems, including a four year International Assignment based out of Singapore, where he was responsible for building and leading one of Cisco's first commercial teams across the Asia Pacific and Japan theatres.

Access Equals Valuation: A Study In Market Valuations

Canada's marijuana sector is a volatile arena focused on future growth potential, meaning speculating on future square footage to come online, future recreational sales and production increases. What Scythian is attempting to do is garner access to future demand, today, by pursuing international agreements, outside the arguably soon-to-be saturated Canadian marijuana market.

Access is obtained through pursuing large stakes or outright acquisitions of companies with, for example, licenses in other countries. Scythian is positioning itself to capitalize on nations with developing policy towards marijuana.

Aphria | A Buyer Of Access

Canada's largest marijuana producers understand to grow market cap they must expand into foreign markets. In late March, Aphria, one of Canada's largest growers, completed an acquisition of Nuuvera in a deal valued at roughly CAD\$425 million.



According to an article by Mark Rendell of the [Financial Post](#), published on March 23, 2018, *"Nuuvera has no experience producing cannabis and has posted virtually no revenue."* [According to that same article](#), about one month before the Nuuvera acquisition completed, Aphria's President and CEO Vic Neufeld made the below comments on an analyst call, *"The Canadian investor market likes to value cannabis stocks on a basis of funded capacity... (but) this deal is very different from that; this is an opportunity in international markets that are developing."*

Nuuvera went public in January of 2018, and within a short time period had an offer from Aphria. While many investors were left shaking their heads, given the company's lack of revenue, Financial Post author, Mark Rendell, attempted to sum up the valuation:

"What Nuuvera appears to have is a set of international relationships in such countries as Italy, Israel and Germany, and a well-connected board of directors and management team hailing from the world of online gaming, tech and pharmaceuticals."

Mark Rendell's article stated toward its conclusion:

"The closing of the Nuuvera deal comes on the heels of several other international moves made by an entity tied to Aphria, Scythian Biosciences Corp."

Aphria owns 7.8 per cent of the company, which reports its main business as funding University of Miami research into cannabis and traumatic brain injuries. Neufeld sits on the company's board, alongside George Scorsis, CEO of Liberty Health, and Renah Persofsky, another Aphria board member."

*As previously stated, since this article from the Financial Post was published, In accordance with Aphria's recently announced corporate governance policies, Vic Neufeld and Renah Persofsky have stepped down from Scythian's board, while George Scorsis has become Chairman.

Scythian Biosciences can choose where it deploys capital to work with scientists and doctors in favorable medical communities with the intent of securing quality marijuana products for their patients. This is the framework for a marijuana business model we appreciate.

The Leaders In Canadian Marijuana Are Going Global

Canadian marijuana leaders are going global. The domestic market in Canada for medical and recreational marijuana is tiny compared to the dozens of country's looking for cannabis-related expertise. Scythian has three international LOI agreements in various stages, and the company helped arrange its first purchase order through ABP (an Argentinian-based company Scythian is in the process of acquiring) with Aphria.

Furthermore, the recent appointment of European Cannabis Leader Rob Reid as CEO gives us reason to speculate an expansion/opportunity overseas may be in the cards.

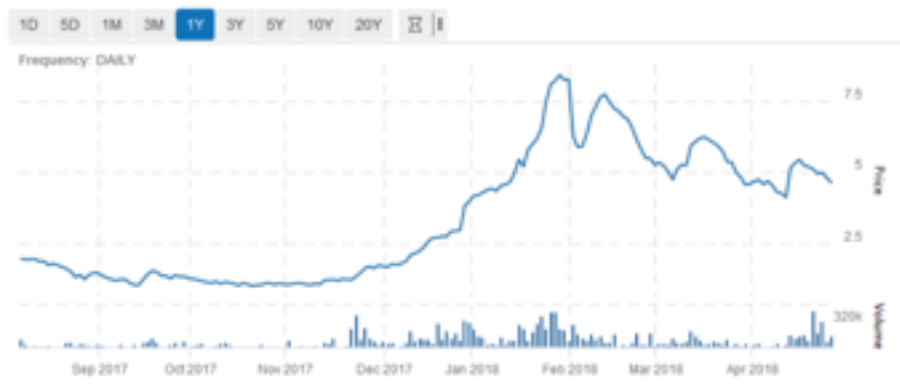
If everything goes according to plan, Scythian could soon have a stake in, or outright own, three companies (as per LOIs explained above) with exposure to three emerging cannabis markets; and the company has only been trading on the TSX Venture since August of 2017. Scythian reported CAD\$9,741,769 in cash at the end of 2017 and closed a CAD\$28.7 million financing, with Aphria as its lead investor, [in February](#). Well-positioned and funded, we speculate Scythian will continue to be aggressive with its established trend in 2018 by advancing current agreements and likely initiating new ones.

As mentioned, we intend to purchase shares this coming week in Scythian Biosciences (SCYB:TSXV), and the company is a client of ours. Recognize that this makes us biased toward Scythian. Please take responsibility for practicing your own thorough and independent due diligence. Learn about the risks associated with investing in small cap companies of this nature. Pick your spots.

With Aphria as Scythian's largest strategic investor, and an Aphria supply agreement already initiated with ABP in Argentina, we will be watching the relationship between Scythian and Aphria closely; and, as Neufeld stated in an [April 25th press release](#), a reason for him stepping down as Chairman was *"to ensure best arms-length compliance as part of an expanding partnership..."*

Scythian last traded for CAD\$4.94 on the Venture. Like virtually every marijuana stock it has been beaten up since January – down roughly 42% from its all-time high (hence the timing of this report). Accounting for Scythian's recently completed 4 for 1 stock split, Aphria and those who participated in the [\\$28.7 million financing](#) paid approximately CAD\$4.65 per unit. Scythian closed trading today marginally above the price per unit of that financing – led by Aphria.

Take a look at Scythian's stock chart and the Canadian Marijuana Index below. After months of consolidation, marijuana stocks may be showing signs of bottoming. **Scythian last traded for CAD\$4.94, giving it a market cap of around CAD\$170 million.** Expect an update from us in the near future...



Scythian Biosciences (SCYB:TSXV) 1-Year Stock Chart



Canadian Marijuana Index 1-Year Chart

Tour of Aphria Marijuana Facility with Vic Neufeld, Former Chairman of Scythian Biosciences

Learn more about Scythian's relationship with Aphria by watching our exclusive video filmed at Aphria's Leamington Ontario facility.

All the best with your investments,

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Scythian Biosciences Stock Information

TSX Venture Symbol: SCYB

OTC Nasdaq International Symbol: SCCYF

TSX Venture Stock Price: CAD\$4.94

10-Day Avg. Volume (Canadian trading): 178,000 (approximate)

Market Capitalization: CAD\$170 million (approximate)

Online Resources

[Visit Scythian Biosciences Online](#)

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In a five-year partnership Scythian Biosciences joined the University of Miami Concussion Program to assess the effectiveness of a new cannabinoid-based pill to treat concussion injuries. GE Healthcare & BrainScope are also running studies with the University to understand further how concussions affect the brain.

[Click here](#) to learn more.

Disclosure, Risks Involved and Information on Forward Looking Statements:

Please read carefully before proceeding.

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Important: Our disclosure for this report on Scythian Biosciences Corp. applies to the date this report was released to our subscribers (April 28, 2018) and posted on our website. This disclaimer will never be updated, even after we have sold all of our shares of Scythian Biosciences Corp.

In all cases, interested parties should conduct their own investigation and analysis of Scythian Biosciences Corp. ("Scythian" or "Scythian Biosciences" or "the Company"), its assets and the information provided in this report.

Forward-Looking Information and Statements:

This report contains certain forward-looking information and statements ("forward-looking information") within the meaning of applicable Canadian securities legislation, that are not based on historical fact, including without limitation, statements containing the words "believes", "anticipates", "plans", "intends", "will", "should", "expects", "continue", "estimate", "forecasts" and other similar expressions. Such forward-looking information includes, but is not limited to, information relating to any of the proposed investments and acquisitions of Scythian's (LOIs), the intended uses of licensed medical cannabis by ABP in Argentina, the benefits of combining Aphria's cannabis products with Scythian's medical cannabis research, the Company's research and development plans and its international expansion plans in general, potential revenues, projected size of market, and other information that is based on forecasts of future results, estimates of amounts not yet determinable and assumptions.

Readers are cautioned to not place undue reliance on forward-looking information. Forward-looking information is subject to a number of risks and uncertainties that may cause actual results or events to differ materially from those contemplated in the forward-looking information, and even if such actual results or events are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the Company. Such risks and uncertainties include, among other things, the risk that: that the Company may not proceed with a proposed investment(s) and acquisition(s); that the ultimate terms of the proposed investment(s) and acquisition(s) will differ from those that are currently contemplated; that a regulatory approval that may be required for the proposed investment(s) and acquisition(s) is not obtained or is obtained subject to conditions that are not anticipated; that a condition to the completion of an investment and/or acquisition may not be satisfied; that the businesses of a proposed investment(s) and/or acquisition(s) are not integrated successfully; or that Aphria is unable to supply medical cannabis products in sufficient quality or quantity in accordance with the terms of the Supply Agreement.

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