

The background of the slide features a sunset sky with a bright sun low on the horizon, creating a gradient from orange to blue. Silhouetted against this sky are several cannabis leaves with serrated edges, extending from the right side towards the center. A teal horizontal line is positioned above the text, and a white horizontal line is positioned below it.

CONFIDENT CANNABIS
2019 MARKET REPORT

Welcome to our 2019 Market Report!

The Confident Cannabis Lab Testing platform had another record year. Labs on the platform processed roughly half a million samples across 31 markets in 2019, representing growth of 65% and 48% over 2018, respectively. This is a significant achievement, considering Confident Cannabis has over 50% market share in the U.S.

In this report, we showcase the top labs by sample count along with what the average THC potency is in 6 key states.

The Wholesale platform has over a year of experience in Oregon, and is launching this year in California and Michigan. During this time, we learned about how buyers use the platform, what they search for, and what they buy. We even included prices per potency and classification. We share some of those insights with you in this report.

Enjoy,
The Team at Confident Cannabis

Average THC Potency by State in Key Markets



Average Pricing by THC Potency, Grow Method and Plant Classification



Top 5 Most Searched Terms on Wholesale

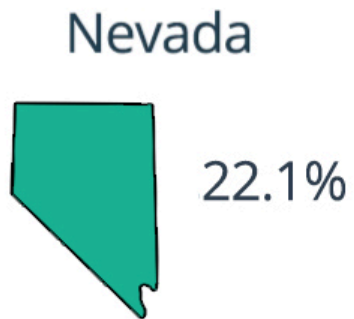


Top 5 Most Purchased Flower Strains and Concentrates in Oregon



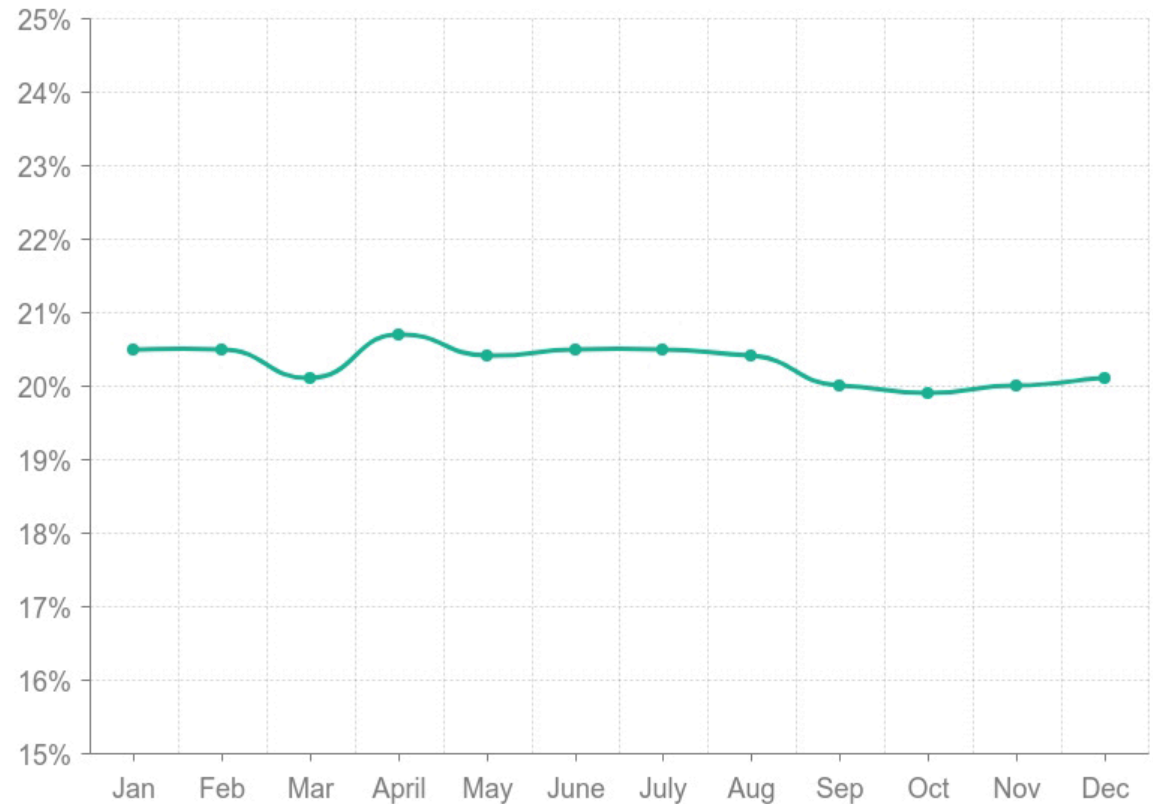
Overview

Average THC Potency in Key States



Average THC Potency by Month in the US

- While THC potency remains fairly even throughout the year, there is a noticeable dip coinciding with outdoor harvests
- There seems to be a small trend towards lower potency products, as more companies target new customer segments
- There has been an increase in balanced strains with higher CBD content



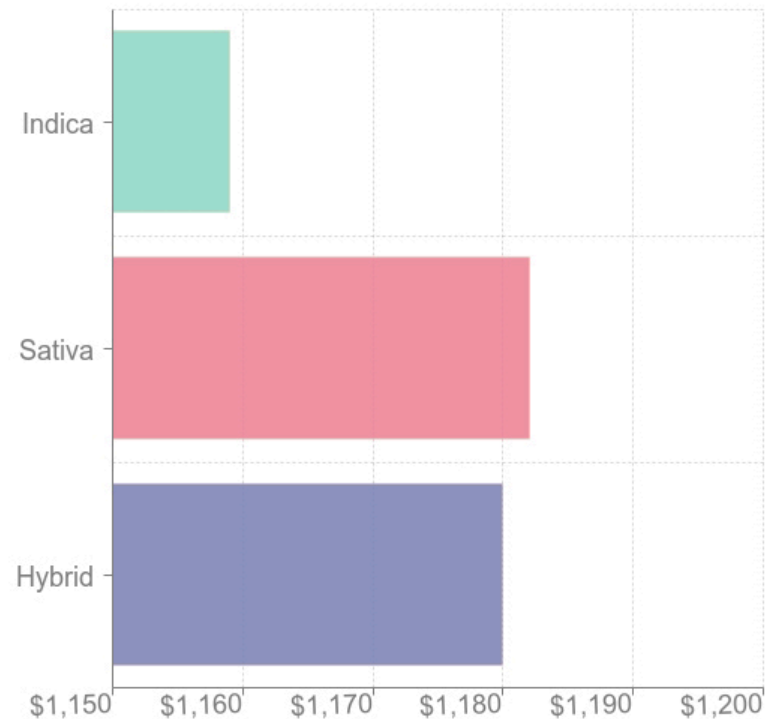
Price per Pound by THC Range in Oregon

- Premium cannabis is still being determined on a THC potency basis
- It's at the 27-28% potency mark that strains are entering the 'premium' category
- Based on our data, Oregon flower is getting around \$50 per percentage point of THC



Price per Pound by Classification in Oregon

- While there's little difference in pricing between the categories, Sativa is in higher demand
- Chemistry data doesn't support this distinction, but retailers and cultivators still use Indica / Sativa / Hybrid as a term for cannabis effect
- Because customers tend to desire "uplifting, focused" strains, they're demanding more Sativa strains



Top 5 Labs by Samples Processed with Confident Cannabis

- Chemhistory has been with us since the beginning, and has continued to thrive in Oregon. Their sample count is routinely at the top of our labs
- Infinite Chemical started using Confident Cannabis as a startup, is now thriving, and is the fastest growing lab in CA
- Don't sleep on Michigan! This market will be a beast, and PSI processes the lion's share of the state's samples



Chemhistory (OR)



Infinite Chemical Analysis Labs (CA)



PSI Labs (MI)



Aurum Labs (CO)



Fidelity Diagnostics Lab (MT)

Top 5 Most Searched Terms in Oregon

- Buyers search for a variety of products in the Confident Cannabis Wholesale Gallery
- We see searches for categories of products (trim, b-buds), strain names, and vendors (though they didn't make the top 5)



Trim



Silver Haze



GMO



BaoX



B Buds

Top 5 Most Purchased Flower Strains on Wholesale in Oregon

- Mimosa and Gelato are two of the most popular strains nationwide, so Oregon doesn't deviate from the norm
- However, EM Dog is a much lesser known strain, which is interesting to see as the 3rd most purchased in OR
- It's safe to say that Kush strains are still among the most popular in any variety



Mimosa



Gelato



EM Dog



Lemon Kush



Purple Hindu Kush

Top 5 Most Purchased Concentrates on Wholesale in Oregon

- In Oregon, inhalers are very novel. In the wake of the vape crisis, they are particularly popular
- Solventless extracts are in high demand in Oregon. Coupled with a popular strain like Mandarin Cookies, rosin takes the 2nd most purchased spot
- Shatter continues to be a cheap and popular bulk item, far less craft than a solventless rosin



Soul 1:1 Inhaler



Mandarin Cookies Rosin



Berry White Pull and Snap Shatter



Bulk BHO Slabs Shatter



Samoa Cookies Wax

How Does Confident Cannabis Work?

At Confident Cannabis, we believe transparency is the best way to create a vibrant and sustainable ecosystem.

As a result, we made our mission to simplify cannabis testing and wholesale trade to create trust and transparency in the cannabis industry.

We do this by providing lab testing and wholesale trade software to licensed operators across the United States.

Cultivators, manufacturers, and distributors use Confident Cannabis to manage their lab results and sell their inventory. Retailers, distributors, and manufacturers use confident Cannabis to source lab-tested supply, from finished goods to bulk material. Labs use Confident Cannabis to streamline their workflow, create Certificates of Analysis, and stay compliant.

Confident Cannabis Lab Testing is available in 25 markets. Confident Cannabis Wholesale is available in Oregon now and California in February 2020. Sign up for early access in California here: gocanna.cc/hello cali

Below is a use case on how Wholesale works for both buyers and sellers;

Case Study Taste Budz Oregon

Buyer Demand

Oct 14th: Marketing sends an email calling for pounds that are priced at \$800 or less.



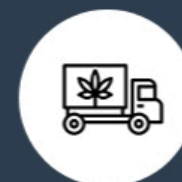
Matchmaking

Oct 16th: Armed with the in-demand product, our account executives match the product to a motivated buyer.



Delivery

Oct 18th: Taste Budz delivers the in-demand supply to their new buyer. They've seen three re-orders on Wholesale since October.



Taste Budz Replies

Oct 15th: Taste Budz Oregon responds to the email with their product that matched the call.



Order Accepted

Oct 17th: Taste Budz accepts the order from the buyer and they negotiate terms.



Let's chat!

Confident Cannabis builds tools that enable every ethical cannabis business to thrive.

Reach out with any questions on the data report: media@confidentcannabis.com

To talk to the labs team or get a demo: labs@confidentcannabis.com

Email our Wholesale team to verify or get a demo: wholesale@confidentcannabis.com

