

Navigator Acquisition Corp. (TSXV:NAQ.P)

**Qualifying Transaction - Acquisition of Leading Colombian Licensed
Cannabis Company**



Executive Summary

The Company is well-positioned to meet significant global cannabis industry demands at unique price points and scale

- Company is a Colombian-founded medical cannabis corporation with headquarters in Medellín. Companies's business model is to supply pharmaceutical, nutritional, wellness, and cosmetic companies worldwide with customized medical cannabis extracts, oils, and isolates at commercial scale and at a significant discount to current market rates without sacrificing quality and consistency.
- The Company counts with the exclusive registration of 5 strong genetic strains with the Instituto Colombiano Agrario (ICA) and has additional 20 in process to be registered. A total of 100 strains have been bred by the company.
- Company is currently building its production facility and funding agricultural activities to achieve first industrial production and sales of 100 kg / month of Oil in Q1 2020 (La Ceja) and scaling up to 1,000 kg per month by the end of 2020.
- The Co-Founders together with their close network have invested approximately CAD\$5.5 million to date. In addition the Co-Founders have contributed land for cultivation and production with a value of CAD\$7.4 million.
- La Ceja location is a 2.3ha plot dedicated to Genetics, Cultivation, Extraction, Quality Testing, Packaging, Distribution, and Research and Development.
- The business plan contemplates expansion to a total of 204 ha by developing additional 30ha starting H2 2020 (Stage Two), 70ha starting H2 2021 (Stage Three) and 100ha starting H2 2022 (stage 4).

Extraction Methodology

Ethanol Extraction

- Safer to operate
- Flexibility in separation of different metabolites
- Relative Low CAPEX and OPEX

Land Availability

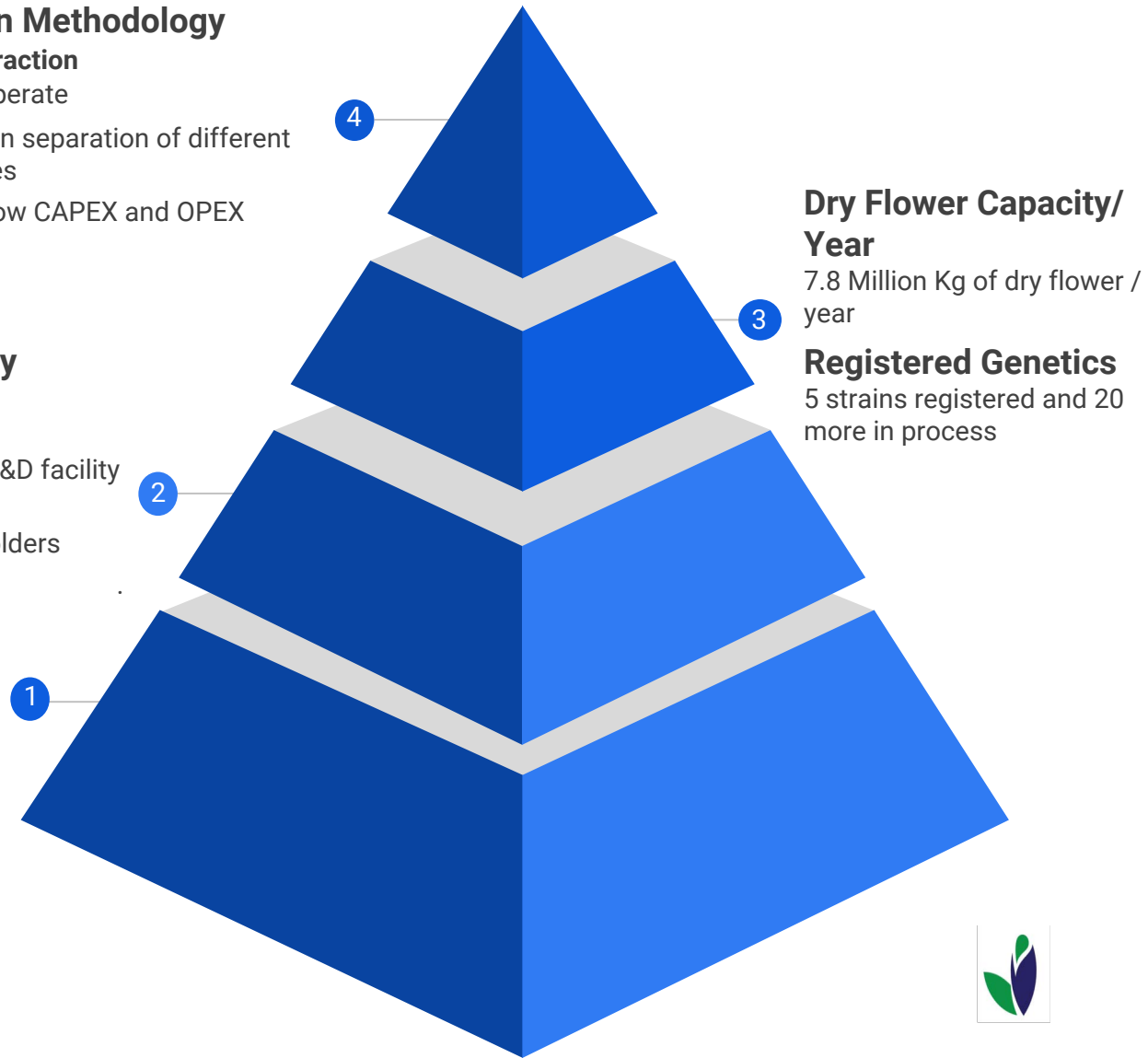
474 ha

- in a single plot + a propagation and R&D facility of 2.5ha
- Owned by shareholders

Land Quality

Organic

- Previously an organic avocado farm (La Ceja) and cattle (Tolima)
- No previous use of heavy chemical pesticides or heavy metal.



Transaction Overview

Transaction Overview (CAD \$m)

Shares Outstanding (millions)	71.4
Implied Price Per Share	0.49
Implied Market Capitalization	\$30
Estimated Pro Forma Convertible Debt	(4.7)
Enterprise Value	\$34.7
Implied 2019E Revenue Multiple	143.5x
Discount to Industry leader	46.7%
Implied 2020E Revenue Multiple	1.46x
Discount to Industry leader	89.3%

Transaction Cash Sources & Uses (CAD \$m)

Sources

Convertible Bridge Financing	\$4.7
Total Cash Sources	\$4.7

Uses

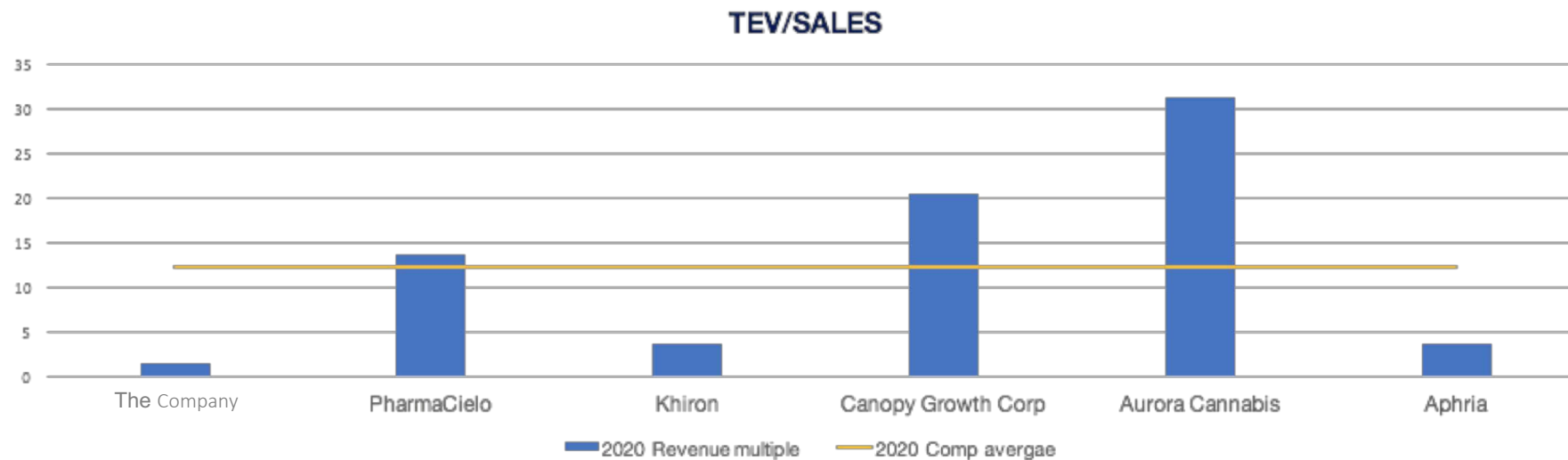
Equipment purchasing and Production of samples for commercialization	\$4.7
Total Cash Uses	\$4.7

- Navigator is acquiring 100% of the company at a value of approximately – CAD\$ 30.0 million
- Additional management earnouts tied to significant financial performance
- Seeking CAD \$4.7 million bridge financing at a discount of 30% of valuation prior to going public

KEY
TRANSACTION
HIGHLIGHTS

Compare Analysis + Valuation

Key Metrics	Colombian Markets			International Markets		
	The Company	PharmaCielo	Khiron	Canopy Growth Corp.	Aurora Cannabis	Aphria
Market Capitalization (CAD\$ Millions)*	34.7	847.2	232.5	14,661	9,044	2,492
Cost x gram of dried flower (CAD Cents)	4.9	N/A	46.5	93.6	230.1	229
Cultivated Land by Q4'19 (Ha)	4.0	20	8.7	5.2	11.1	9.3
Available Land to Harvest (Ha)	476.5	139	52.4	29.7	64.8	9.3
Discount/ (Premium) to PharmaCielo (TEV/Sales 2020)	89%	0%	73%	-50%	-129%	72%
Valuation x Hectare of available land (CAD\$K)	72.82	6,095	4,437	493,636	139,568	267,957



Market & Trends

- ❑ Integrated soil-to-oil platform
- ❑ Advanced proprietary genetics program
- ❑ Wide range of extract types supported

COMPANIES FACTS

- ❑ Long-term advantage: low cost of production
- ❑ R&D Lab: microemulsions, infusions, CGB and more.
- ❑ High quality
- ❑ Large scale extracts



PHARMACEUTICAL
WELLNESS
NUTRICIONAL

WORLDWIDE MARKET FACTS

MRC Statistics projects the Global Cannabis Market will be \$13.82 Billion by 2017 and it is expected to reach \$205.91 Billions by 2016 growing at a CAGR of 35.0% during the forecast period.

- Growth in Medicinal properties of cannabis
- Increasing legalization
- Advances in genetic
- Intellectual property

EUROPEAN MARKET

Population: 742M

Potential Market by 2024: CAD 53.2 Billion (medical cannabis)

Opportunity: Co-Founder has experience in healthcare and HQ in Brussels.

LATAM MARKET

Population: 620M

Potential Market: CAD 11.3 Billion

Opportunity: proximity, legislation geared to allow products but constraints on cultivation (Mexico, Argentina, Uruguay)

NORTH AMERICA MARKET

Population: 376M

Potential Market: CAD 63 Billion

Opportunity: Attractive in size but unclear legislation.

The Team: Colombia Know-How + Best International Practices

Felipe Velasquez
CEO & CoFounder



Over 20 years of healthcare related business experience and the proven ability to execute across four continents. Felipe has held senior management roles in operations, finance, acquisitions, and sales, having successfully led the global expansion strategies for two leading healthcare organizations.

- 10 year at Abbott Laboratories and held several positions in finance and commercial operations in US, LATAM and Europe.
- Helped at Medcover to grow the firm's assets to over 100 medical clinics, 5 hospitals, and a large network of research and development laboratories in Europe and India.
- MBA from DePaul University and an Engineering Degree from EAFIT University

Carlos Velasquez
Chairman & CoFounder



Over 20 years of international experience in investment and structuring of energy and infrastructure projects, representing over US \$1 billion + including structure, development and funding of private equity funds and capital structures from 2008 through 2017, as managing director at Blue Ocean Harvest and Partner in Promotora AAA.

- In 2001, founded and managed a financial institution in the US facilitating loans up to US 50 M per year, Equity Home Lending.
- Board member and founder of over 7 companies in US, Colombia and the Caribbean.
- Professional graduate in Business from Universidad EAFIT with studies in financial services in the US.

Alejandro Marin
CFO & CoFounder



Instrumental in the Structure, development and funding of multi-sectorial private equity funds for USD 490M+ between 2012 – 2017 in Colombia, as Portfolio Manager in Blue Ocean Harvest and Partner of Promotora AAA.

- Since 2004 has participated in the creation and management of private equity funds in Colombia and Nicaragua for US 54M+ AUM, as director in Capitalia Colombia, Fondo Microcapital and Fondo Inversor.
- Alejandro created the 2nd largest angel investors network in LATAM, and served on the boards of over 30 companies.
- Alejandro has a Business degree from Universidad EAFIT, and specialization in finance and marketing from Universidad de Medellín.

Diego Ruiz
Government Affairs
& CoFounder



25 years of organizational management in LATAM. Worked in the banking industry for over 20 years which allowed him to gain experience managing large teams and complex projects.

- 25 years in Private Banking Institution with emphasis in public and private sector for Colombia & LATAM.
- Leader in developing economic programs for large and medium size companies raising approximately \$300M in capital investment.
- Member of Board of Directors of 5 companies
- Degree in engineering, architecture, and business.

Carlos Gustavo Cano
Board Director



2005-2017 - Director of Central Bank of Colombia (Banco de la República)
2002-2005 - Minister of Agriculture during presidency of Alvaro Uribe.
President of the Colombian Association of Farmers (Sociedad de Agricultores de Colombia, SAC)
Founder & President of CCI (Corporación Colombiana Internacional).
President of Colombian leading newspaper, El Espectador.

- Board Member of EAFIT (University of Medellin)
- Board Member of Consulting Group of Bancolombia on Agriculture Sector
- Distinguished Professor at University of Los Andes, Colombia.



THANK YOU

Please contact us for a full version

KYLE SHOSTAK CEO

+1 917 514 1310
kshostak@navigatoracquisition.com

**ALEX LYAMPORT
CFO**

+1 646 593 3141
alyamport@navigatoracquisition.com

HEADQUARTERS
Medellin