



# Pioneering the Future of Global Cannabis

November 2019



# Disclaimer

Investors and prospective investors should rely only on the information contained in the continuous disclosure filings (the “Filings”) of Tilray Inc. (the “Company”). This presentation is qualified in its entirety by reference to, and must be read in conjunction with, the information contained in the Filings. An investor or prospective investor is not entitled to rely on parts of the information contained in this presentation to the exclusion of others, and the Company is not authorized to provide different or additional information. Unless otherwise specified, all monetary amounts in this presentation are in United States dollars.

An investment in the securities discussed in this presentation is speculative and subject to a number of risks that should be considered by an investor or prospective investor. Investors and prospective investors should carefully consider the risks described in the Filings. This presentation does not constitute an offering of securities and the information contained herein is subject to the information contained in the Company’s Filings.

## FORWARD-LOOKING INFORMATION

This presentation contains “forward-looking information” within the meaning of applicable securities laws in Canada or “forward-looking statements” made pursuant to the “safe harbour” provisions of the United States Private Securities Litigation Reform Act of 1995 (collectively, “forward-looking information”). Forward-looking information may relate to the Company’s future outlook and anticipated events, plans or results, and may include information regarding the Company’s objectives, goals, strategies, future revenue or performance and capital expenditures, and other information that is not historical information. Particularly, information regarding the Company’s expectations of performance, achievements, prospects or opportunities, or the markets in which the Company operates, is forward-looking information. Forward-looking information can often be identified by the use of terminology such as “believe,” “anticipate,” “plan,” “expect,” “pending,” “in process,” “intend,” “estimate,” “project,” “may,” “will,” “should,” “would,” “could,” “can,” the negatives thereof, variations thereon and similar expressions. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management’s expectations, estimates and projections regarding future events or circumstances.

The forward-looking information contained in this presentation is based on the Company’s opinions, estimates and assumptions in light of management’s experience and perception of historical trends, current conditions and expected future developments, as well as other factors that management currently believes are appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct.

Risk factors that could cause actual results to differ materially from forward-looking information in this presentation include: the Company’s ability to secure and maintain required regulatory approvals and licenses to manufacture and export medical cannabis and other products derived therefrom; risks relating to evolving laws, regulations and guidelines applicable to medical cannabis in Canada and other countries further limiting the Company’s the business operations; the Company’s failure to comply with applicable regulations in any jurisdiction resulting in a significant change in business operations; the Company’s continued ability to export medicinal cannabis is dependent upon licenses and approvals outside of Canada and any failure to comply may limit the Company’s international expansion; the effect of the legalization of adult-use cannabis in Canada on the medical cannabis industry is unknown and may significantly and negatively affect the Company’s medical cannabis business; that the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis are not as currently expected; that adverse changes or developments affecting the Company’s main or planned facilities may have an adverse effect on the Company; that the medical cannabis industry and market may not continue to exist or develop as anticipated or the Company may not be able to succeed in this market; risks related to market competition; risks related to the adult-use cannabis industry and market in Canada including the Company’s ability to enter into or compete in such market; risks related to adult-use regulations in Canada developing in a manner from current expectations, including new Canadian adult-use regulations effective December 17, 2019; that the Company fails to comply with supplier standards established by Canadian provincial or territorial distributors; that the Canadian adult-use cannabis market experiences continued supply fluctuations resulting in revenue and price declines; the nascent Canadian adult-use market being subject to many of the same regulatory and early-stage growth risks as medical cannabis; enhanced legal competition for Canadian adult-use market share; that the Company has a limited operating history and a history of net losses and that it may not achieve or maintain profitability in the future; risks related to the Company’s current or proposed international operations; risks related to the ongoing development and enforcement of U.S. and foreign laws, including recent U.S. legalization of hemp-derived CBD products and the Company’s ability to successfully

commercialize such products; risks related to future third party strategic alliances or the expansion of currently existing relationships with third parties; that the Company may not be able to successfully identify and execute future acquisitions or dispositions or successfully manage the impacts of such transactions on its operations; risks inherent to the operation of an agricultural business; that certain customer concentrations constitute a substantial portion of the Company’s revenues; that the Company may be unable to attract, develop and retain key personnel; risks resulting from significant interruptions to the Company’s access to certain key inputs such as raw materials, electricity, water and other utilities; that the Company may be unable to transport its cannabis products to patients in a safe and efficient manner; risks related to recalls of the Company’s cannabis products or product liability or regulatory claims or actions involving the Company’s cannabis products; risks related to the Company’s reliance on pharmaceutical distributors; that the Company, or the cannabis industry more generally, may receive unfavorable publicity or become subject to negative consumer or investor perception; that certain events or developments in the cannabis industry more generally may impact the Company’s reputation or its relationships with customers or suppliers; that Canadian product licensure and marketing regulations further constrain the Company in promoting its products; risks related to the Company’s ability to comply with all safety, health and environmental regulations applicable to it; that the Company may not be able to obtain adequate insurance coverage in respect of the risks that it faces, that the premiums for such insurance may not continue to be commercially justifiable or that there may be coverage limitations and other exclusions which may result in such insurance not being sufficient; that the Company may become subject to liability arising from fraudulent or illegal activity by its employees, contractors, consultants and others; that the Company may experience breaches of security at its facilities or losses as a result of the theft of its products; risks related to the Company’s information technology systems; that the Company may be unable to sustain its revenue growth and development; that the Company may be unable to expand its operations quickly enough to meet demand or manage its operations beyond their current scale; that the Company may be unable to secure adequate or reliable sources of necessary funding; that the Company may not generate sufficient cash flow to service its debt obligations and fund our ordinary course business operations; risks related to, or associated with, the Company’s exposure to public company reporting requirements; risks related to conflicts of interest; risks related to third-parties’ perceived reputational risk of engaging in the cannabis industry and with the Company; risks related to unforeseen changes in tax and accounting requirements; risks related to fluctuations in foreign currency exchange rates; risks related to the Company’s potential exposure to greater-than-anticipated tax liabilities and long-term effects of U.S. tax reform; risks relating to a permanent U.S. ban on entry for non-U.S. citizens who admit to cannabis investing or employment; risks related to the protection and enforcement of the Company’s intellectual property rights, or the intellectual property that it licenses from others; that the Company may become subject to allegations that it or its licensors are in violation of the intellectual property rights of third parties; that the Company may not realize the full benefit of the clinical trials or studies that it participates in; that the Company may not realize the full benefit of its licenses if the licensed material has less market appeal than expected and the licenses may not be profitable; risks related to our pending merger with Privateer Holdings, Inc.’s and it and Privateer’s founders controlling ownership in the Company, its provision of services to the Company and its participation in the Company’s management and as well as any other risks that may be included in the Filings. Please see the heading “Risk Factors” in Tilray’s most recent Quarterly or Annual Report on Form 10-Q or Form 10-K, which are filed with the Securities and Exchange Commission and Canadian securities regulators, for a discussion of the material risk factors that could cause actual results to differ materially from the forward-looking information.

Although management has attempted to identify important risk factors that could cause actual results to differ materially from those contained in the forward-looking information in this presentation, there may be other risk factors not presently known to the Company or that the Company presently believes are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information in this presentation. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers and viewers should not place undue reliance on forward-looking information, which speaks only as of the date made. The forward-looking information contained in this presentation represents the Company’s expectations as of the date of this presentation or the date indicated, regardless of the time of delivery of the presentation. The Company disclaims any intention, obligation or undertaking to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required under applicable securities laws.

All of the forward-looking information contained in this presentation is expressly qualified by the foregoing cautionary statements. Investors and potential investors should consult their own professional advisors to ascertain and assess

the income tax, legal, risk factors and other aspects of their investment or potential investment in the Company and should carefully consider the risks described in the Filings.

## ADDITIONAL INFORMATION ABOUT THE PROPOSED MERGER AND WHERE TO FIND IT

In connection with the proposed merger, Tilray and Privateer have filed relevant materials with the SEC. Tilray has filed a registration statement on Form S-4 that contains a prospectus and a proxy statement of Tilray and an information statement of Privateer. **Investors and security holders of Tilray and Privateer are urged to read this proxy statement/prospectus, information statement and other materials because they contain important information about Tilray, Privateer and the merger.** The proxy statement, prospectus, information statement and other relevant materials (when they become available), and any other documents filed by Tilray with the SEC, may be obtained free of charge at the SEC web site at [www.sec.gov](http://www.sec.gov). In addition, investors and security holders may obtain free copies of the documents filed with the SEC by Tilray by directing a written request to: Tilray, Inc., 1100 Maughan Road, Nanaimo, BC V9X 1J2, Attn: Dara Redler, General Counsel. Investors and security holders are urged to read the proxy statement, prospectus, information statement and other relevant materials when they become available before making any voting or investment decision with respect to the merger.

This communication shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act.

## PARTICIPANTS IN THE SOLICITATION

Tilray and its directors and executive officers and Privateer and its directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of Tilray in connection with the proposed transaction. Information regarding the special interests of these directors and executive officers in the merger are included in the proxy statement/ prospectus/information statement referred to above. Additional information regarding the directors and executive officers of Tilray is also included in Tilray’s definitive proxy statement in connection with its 2019 Annual Meeting of Stockholders filed with the SEC on April 15, 2019. These documents are available free of charge at the SEC web site ([www.sec.gov](http://www.sec.gov)) and from the Corporate Secretary of Tilray at the address above.

## USE OF NON-U.S. GAAP FINANCIAL MEASURES

To supplement its financial statements, the Company provides investors with information related to Adjusted EBITDA, which is not a financial measure calculated in accordance with generally accepted accounting principles in the United States (“U.S. GAAP”). Adjusted EBITDA is calculated as net income (loss) before interest expense, net; other income, net; deferred income tax recovery, current income tax expense; foreign exchange (gain) loss, net; depreciation and amortization expense; stock-based compensation expense; and acquisition and integration expenses. A reconciliation of Adjusted EBITDA to net loss, the most directly comparable GAAP measure, has been provided in the financial statement tables included in the Company’s Form 10-Q, filed with the SEC on November 13, 2019. The Company believes Adjusted EBITDA provides useful information to management and investors regarding certain financial and business trends relating to the Company’s financial condition and results of operations. Management uses Adjusted EBITDA to compare the Company’s performance to that of prior periods for trend analyses and planning purposes.

## NO THIRD PARTY VERIFICATION

The information contained in the presentation, including market information from third parties, has not been independently verified and no representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions expressed herein.



# We Are a Global Pioneer in a \$150B<sup>1</sup>+ Market

## **We were the first cannabis company to:**

Receive cultivation licenses from multiple countries

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Achieve GMP certification

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Export cannabis legally from North America to  
Africa, Australia, Europe and Latin America

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Supply federally approved clinical trials in  
Australia, Canada and the United States

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Recruit majority women Board of Directors

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Complete an IPO on a major U.S. stock exchange

<sup>1</sup> SOURCE: UNITED NATIONS WORLD DRUG REPORT. PROJECTIONS INCLUDE THE ILLICIT MARKET.

## Mission

Improve patients' and consumers' lives through the power of cannabis and hemp

## Brands Matter

We are building a multi-billion dollar global consumer packaged goods company with a portfolio of medical, wellness and adult-use brands consumers love

## Committed to Creating Shareholder Value By:

Growing revenue and market share globally

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Focusing on the biggest, long-term opportunities

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Investing aggressively now, for sustainable and profitable growth over the long-term

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Attracting and rewarding long-term patient capital, including significant insider ownership



# We Are a Trusted Partner Legitimizing Cannabis

## 10 Clinical Trials



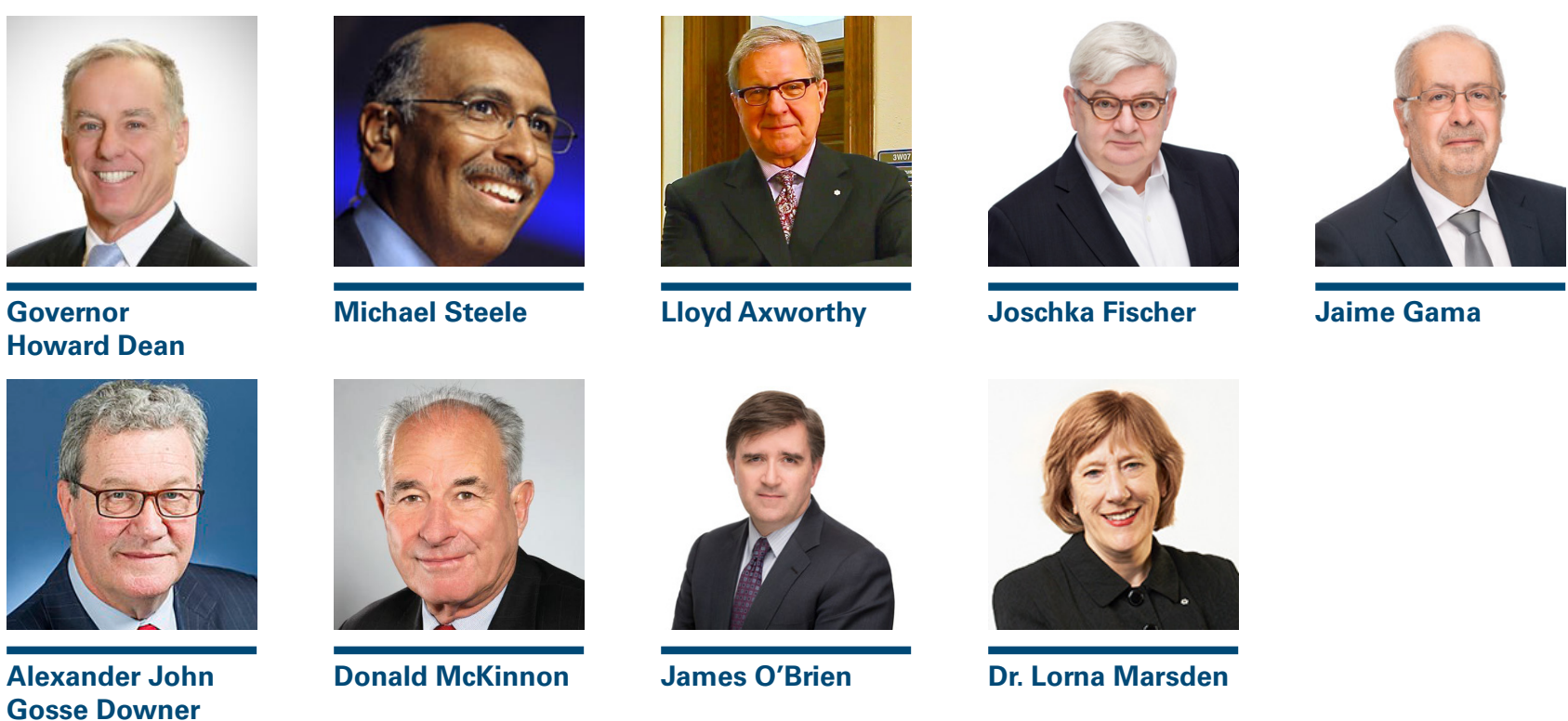
## 3 Strategic Partnerships



## Medical Advisory Board



## International Advisory Board



# We Are Building a Global Platform for the Long-Term



<sup>1</sup> SEE DISCLAIMER: FORWARD-LOOKING INFORMATION  
<sup>2</sup> PENDING REGULATORY APPROVAL  
<sup>3</sup> FACILITY UNDER CONSTRUCTION



# Team of Industry Experts



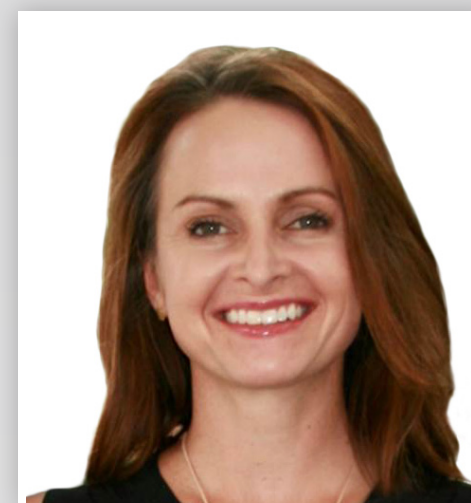
**Brendan Kennedy**  
President &  
Chief Executive Officer



**Mark Castaneda**  
Chief Financial Officer



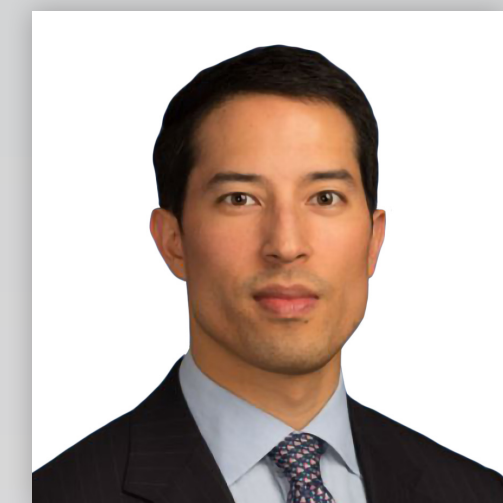
**Woody Pastorius**  
Chief Revenue Officer



**Adine Carter**  
Chief Marketing Officer



**Dara Redler**  
General Counsel



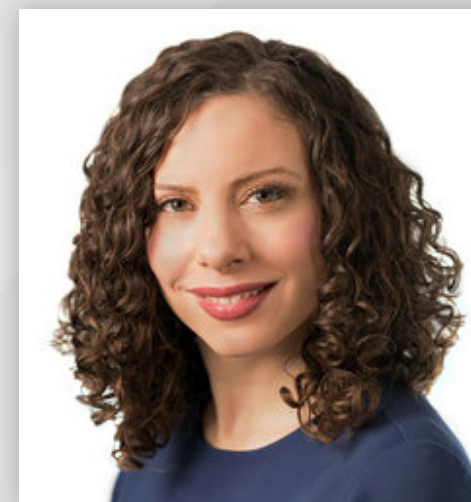
**Andrew Pucher**  
Chief Corporate  
Development Officer



**Rita Seguin**  
Executive Vice President,  
Human Resources



**Greg Christopher**  
Executive Vice President,  
Operations



**Kristina Adamski**  
Executive Vice President,  
Corporate Affairs



**Catherine Jacobson, PhD**  
Vice President, Regulatory  
& Medical Affairs



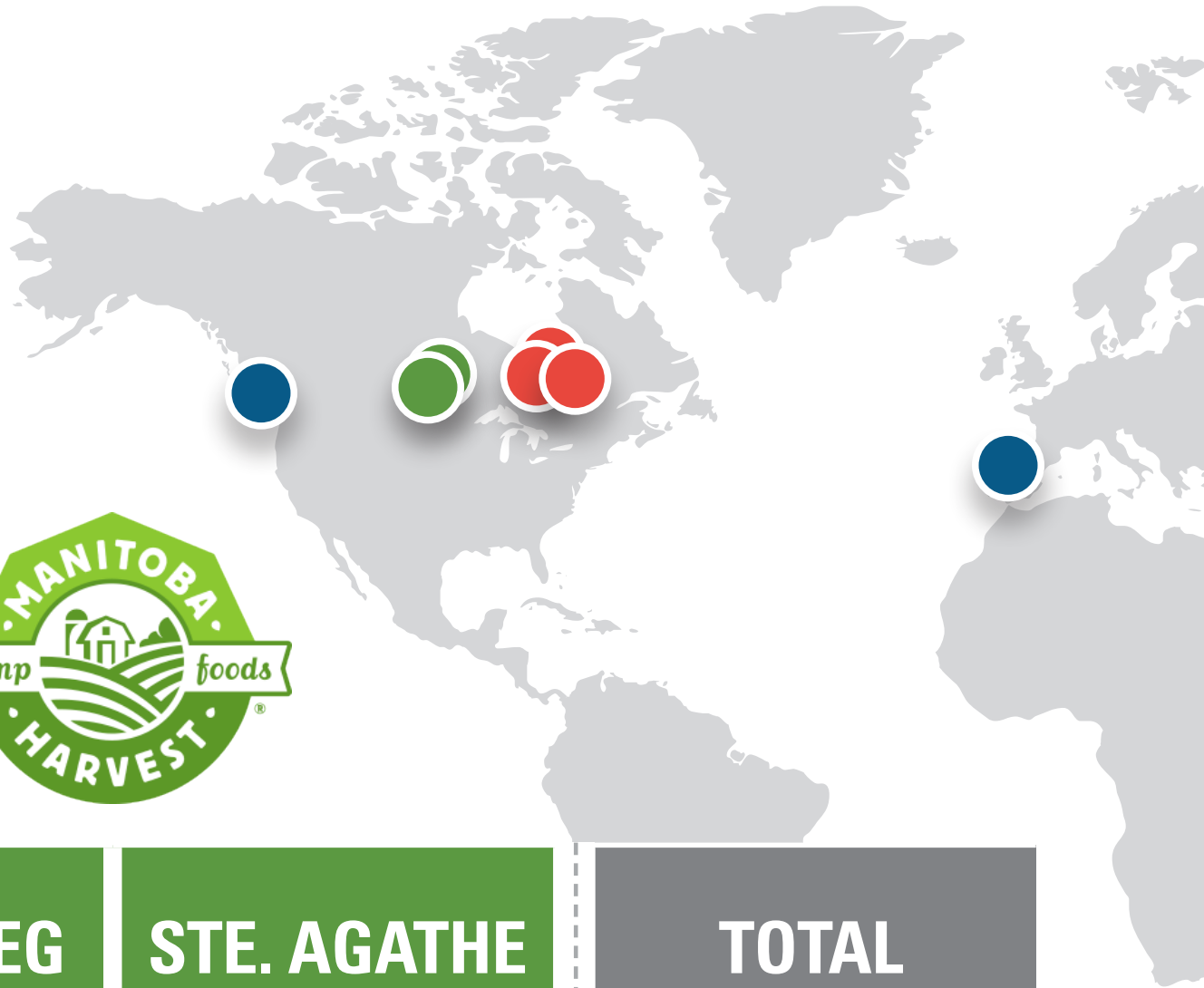
**Charlie Cain**  
Vice President, Retail





# Strategic, Global Production Footprint

Our total production area is 3.4 million square feet as of November 2019



	CANADA NANAIMO, B.C.	PORTUGAL CANTANHEDE / ESPORÃO	FARMS ENNISKILLEN, ON	PROCESSING LONDON, ON	GARDENS LEAMINGTON, ON	WINNIPEG WINNIPEG, MB	STE. AGATHE STE. AGATHE, MB	TOTAL
PARCEL SIZE	218K SQFT	11.5M SQFT	4.4M SQFT	215K SQFT	784K SQFT	38K SQFT	300K SQFT	17.5M SQFT
PHASE I DEVELOPMENT	60K SQFT COMPLETE	2.7M SQFT	626K SQFT	56K SQFT	155K SQFT	15K SQFT	35K SQFT	3.6M SQFT
MAX DEVELOPMENT	80K SQFT	10.2M SQFT	3.5M SQFT	122K SQFT	660K SQFT			14.7M SQFT
CULTIVATION FORMAT	INDOOR	INDOOR/ GREENHOUSE/ OUTDOOR	GREENHOUSE/ OUTDOOR		GREENHOUSE			

# Portfolio of Appealing Products Supported by Extensive Distribution Capabilities



Broad Array of Products to Address Consumer Needs

Hemp Hearts	
Protein Powder	
Hemp Oil	
Granola & Bars	
CBD	

Available Online and in 13,000 Stores in the USA and 3,600 Stores in Canada<sup>2</sup>


<sup>1</sup> PRODUCT PACKAGING NOT FINAL  
<sup>2</sup> HEMP FOOD DISTRIBUTION



# Portugal is Our International Production Hub

2.5 million square feet

Low costs (climate and labor)

Import raw material from other countries

Export finished goods

Tariff-free access to EU

Capacity to manufacture 3-4x current cultivation output

Strategic alliance with agricultural leader Esporão

Final GMP certifications by end of 2019<sup>1</sup>

<sup>1</sup> SEE DISCLAIMER: FORWARD-LOOKING INFORMATION





# Well-Positioned for the EU<sup>1</sup>

We have established cultivation, distribution agreements, and sales offices in the European Union to capture the €36B<sup>1,2</sup> European market opportunity

EU			Cornerstones of EU Strategy		
Germany			UK		
14X <sup>3</sup>			1.79X <sup>3</sup>		
POPULATION OF CANADA			POPULATION OF CANADA		
11X <sup>3</sup>			1.63X <sup>3</sup>		
GDP OF CANADA			GDP OF CANADA		
2.2X <sup>3</sup>			2.3X <sup>3</sup>		
POPULATION OF CANADA			GDP OF CANADA		
2.3X <sup>3</sup>			2.5 million square feet		
GDP OF CANADA			6 registered products		
GDP OF CANADA			6 registered products		

<sup>1</sup> SEE DISCLAIMER: FORWARD LOOKING INFORMATION  
<sup>2</sup> SOURCE: PROHIBITION PARTNERS. PROJECTIONS BASED ON FULLY LEGAL AND REGULATED MARKET IN EUROPE.  
<sup>3</sup> SOURCE: BASED ON STATISTICS PROVIDED BY THE INTERNATIONAL MONETARY FUND AND UNITED NATIONS

# Multiple Paths for Revenue Growth

## Global Adult-Use

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2 Countries  
Canada & Uruguay

## Global Medical

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41 Countries

## Global Hemp/CBD

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50+ Countries  
Including U.S.

# Adult-Use

## Proven Track Record

Sequentially increased Canadian adult-use revenue  
Q1 → Q2 → Q3

Coast to coast distribution in Canada

6 brands, more than 50 SKU's

Minority investments in 4 retailers, and definitive  
agreement to acquire FOUR20 retail business

3 licensed facilities

Processing capacity exceeds cultivation  
capacity, consistent with long-term vision  
of supply/demand dynamics

## Brands



## Retail Partners





# Adult-Use

## Future Milestones<sup>1</sup>

Introduce new form factors:

- Vapes
- Edibles
- Beverages

Launch additional brands

Launch ABInBev JV products

Launch Fluent CBD beverages in market

Continue research in THC-beverages

Expand production capacity

Expect 3–4 additional countries to legalize by end of 2020

<sup>1</sup> SEE DISCLAIMER: FORWARD-LOOKING INFORMATION

## Brands



## Beverages



## Next Legal Markets?



# Medical

## Proven Track-Record

Products available in 13 countries on 5 continents

12 pharmaceutical distributor relationships,  
including global agreement with Sandoz

10 clinical trials

GMP certified

## Established Medical Brand



## Pharmaceutical Partners

**SANDOZ** A Novartis Division

**NOWEDA**

**PHARMA  
PRIVAT**  
Näher dran. Weiter vorn.

**SHOPPERS  
DRUG MART**

**GEHE** *paesel + lorei*

**PHARMASAVE**

**PHOENIX** group

**Alliance  
Healthcare**



# Medical

## Future Milestones<sup>1</sup>

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Import raw material from other countries to Portugal

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Obtain final GMP certifications in Portugal

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Expand product offerings in existing markets

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Complete exports from Portugal to additional international markets

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Extend pharmaceutical partnerships to additional countries and regions

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Supply additional clinical trials

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## Next Legal Markets?



<sup>1</sup> SEE DISCLAIMER: FORWARD-LOOKING INFORMATION



# Hemp/CBD

## Proven Track-Record

## Hemp Distribution in 20 countries

~17,000 stores in North America

30,000+ acres of hemp under contract

100+ SKU's

**CBD** Signed revenue sharing agreement with Authentic Brands Group

Launched Manitoba Harvest  
CBD products in the U.S.

## Completed Smith & Sinclair acquisition

## Achieved GRAS for Manitoba Harvest CBD products

# Partnership



# Acquisition

**SMITH & SINCLAIR**

# Products



# Retailers



# Hemp/CBD

## Future Milestones<sup>1</sup>

Launch CBD products with Authentic Brands Group

Launch new CBD brands in the U.S.

Launch Smith & Sinclair CBD products in the U.S.

Launch cannabinoid seed and oil based products in the EU

New products

New markets

Add retailers

## CBD Products












NINE WEST *prince*<sup>®</sup>

## Other Cannabinoids

Cannabinoid	Potential Therapeutic Indication
CBN	Sleep disorders, Glaucoma, Anti-cancer
THCV	Obesity, PTSD, Parkinson’s disease, Osteoporosis
CBDV	Epilepsy, Fracture healing, Osteoporosis
CBG	Anxiety, Bladder dysfunctions, Colon cancer, IBD, Cachexia
CBC	Pain IBD, Emesis, Breast cancer, Osteoarthritis
CBCV	Epilepsy, Depression
Delta8-THC	Emesis , PTSD

<sup>1</sup> SEE DISCLAIMER: FORWARD-LOOKING INFORMATION

# Cannabis—Disruption is Underway<sup>1</sup>

PHARMACEUTICALS	ALCOHOL	FUNCTIONAL FOOD & BEVERAGES	GENERAL CPG	RETAIL	TOBACCO
<div><p>NOVARTIS</p><p>DEAL ANNOUNCED: MARCH 19, 2018 FRAMEWORK AGREEMENT: DECEMBER 18, 2018</p></div> <div><p>TEVA PHARMACEUTICAL INDUSTRIES LTD.</p><p>DEAL ANNOUNCED: SEPTEMBER 13, 2019</p></div>	<div><p>AB InBev</p><p>DEAL ANNOUNCED: DECEMBER 19, 2018</p></div> <div><p>Constellation Brands</p><p>DEAL ANNOUNCED: OCTOBER 30, 2017</p></div> <div><p>MOLSON Coors</p><p>DEAL ANNOUNCED: AUGUST 1, 2018</p></div>		<div><p>Kraft Heinz</p><p>DEAL ANNOUNCED: OCTOBER 15, 2019</p></div>	<div><p>ABG AUTHENTIC BRANDS GROUP</p><p>DEAL ANNOUNCED: JANUARY 15, 2019</p></div> <div><p>SHOPPERS DRUG MART</p><p>DEAL ANNOUNCED: JANUARY 19, 2018</p></div>	<div><p>PYXUS</p><p>DEAL ANNOUNCED: FEBRUARY 8, 2018</p></div> <div><p>IMPERIAL BRANDS</p><p>DEAL ANNOUNCED: JULY 25, 2019</p></div> <div><p>Altria</p><p>DEAL ANNOUNCED: DECEMBER 7, 2018</p></div>

BOXES INDICATE PARTIES WITH PUBLICLY ANNOUNCED CURRENT INVOLVEMENT OR PARTNERSHIPS IN THE CANNABIS INDUSTRY

<sup>1</sup> SEE DISCLAIMER: FORWARD-LOOKING INFORMATION

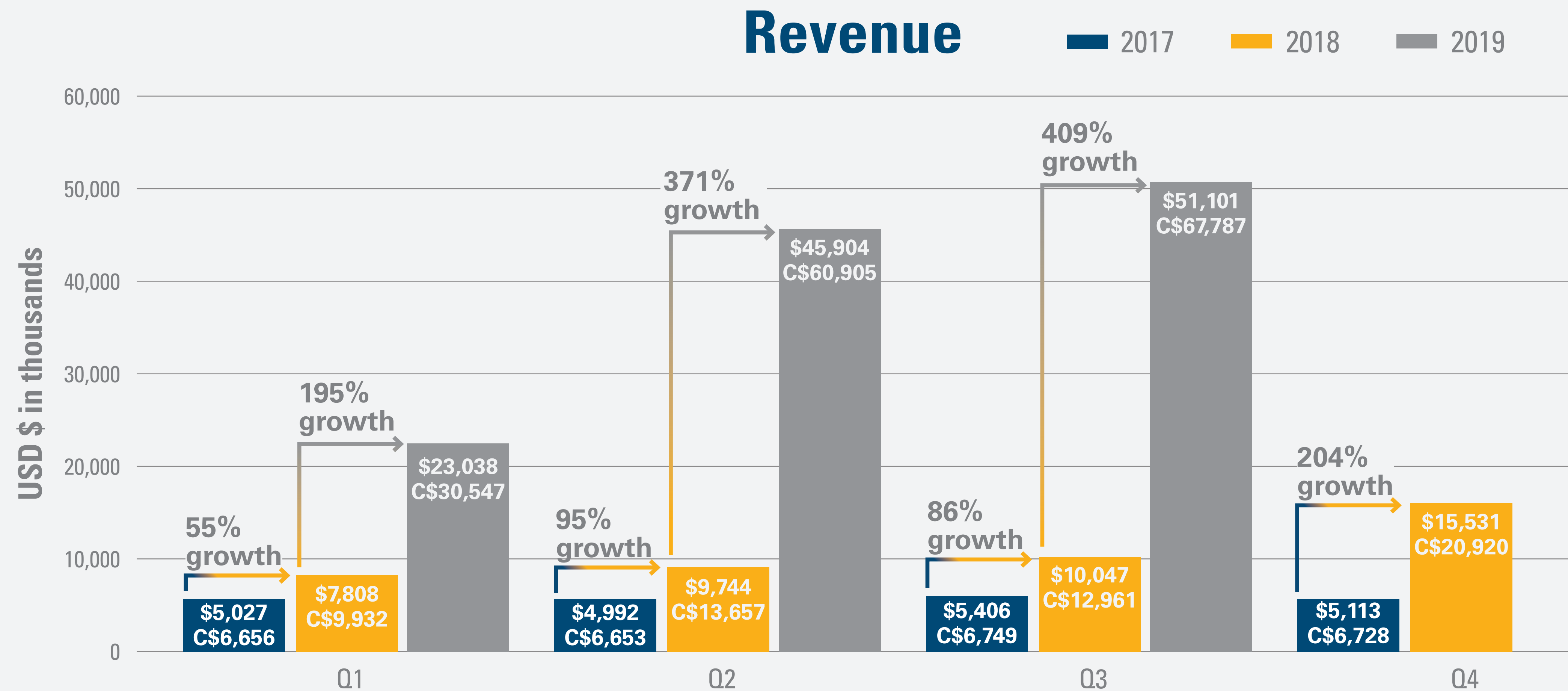


# Cannabis—Disruption is Underway<sup>1</sup>

PHARMACEUTICALS	ALCOHOL	FUNCTIONAL FOOD & BEVERAGES	GENERAL CPG	RETAIL	TOBACCO
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BOXES INDICATE PARTIES WITH PUBLICLY ANNOUNCED CURRENT INVOLVEMENT OR PARTNERSHIPS IN THE CANNABIS INDUSTRY  
<sup>1</sup> SEE DISCLAIMER: FORWARD-LOOKING INFORMATION

# Quarterly Revenue Growth

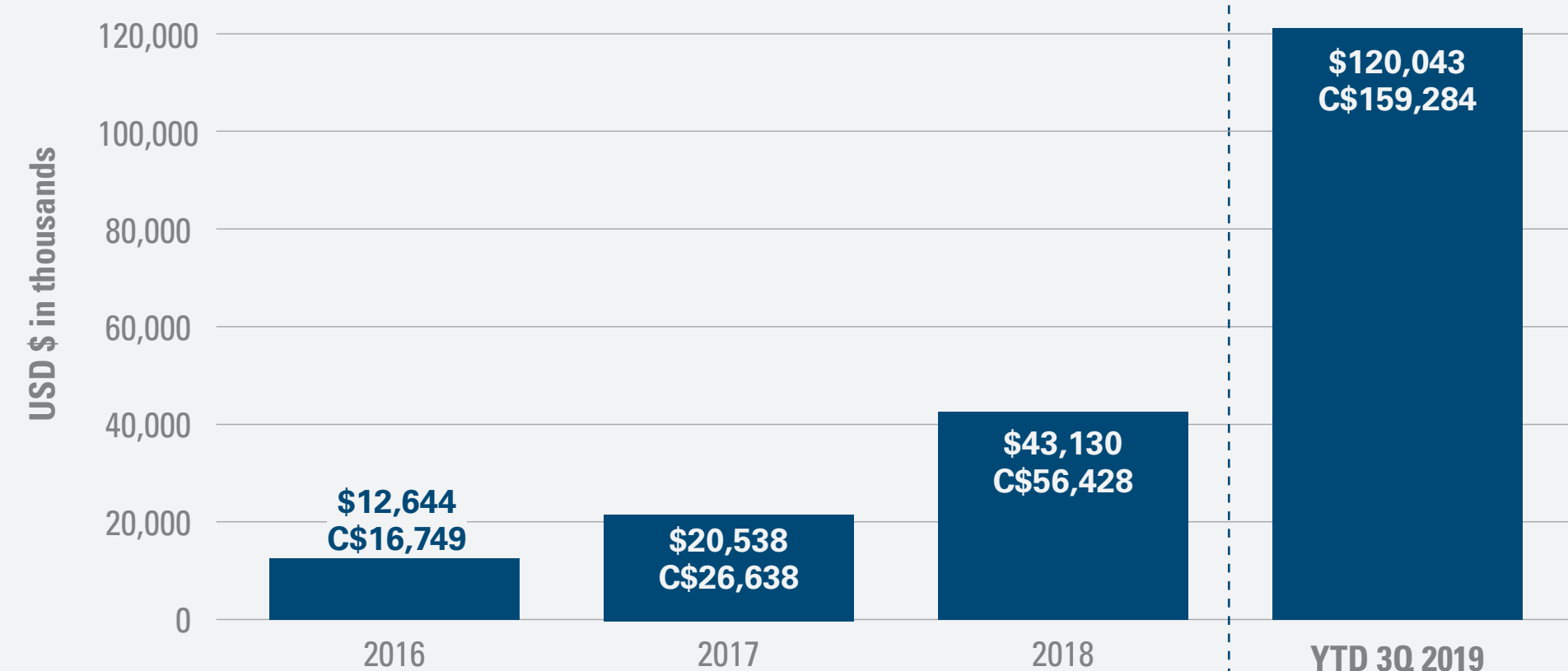


<sup>1</sup> BASED ON TILRAY'S INTERIM UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTERS ENDED MARCH 31, 2017/2018/2019 THE SIX MONTHS ENDED, JUNE 30, 2017/2018/2019, THE NINE MONTHS ENDED SEPTEMBER 30, 2017/2018/2019, AND THE AUDITED FINANCIALS YEARS ENDED DECEMBER 31, 2017/2018.

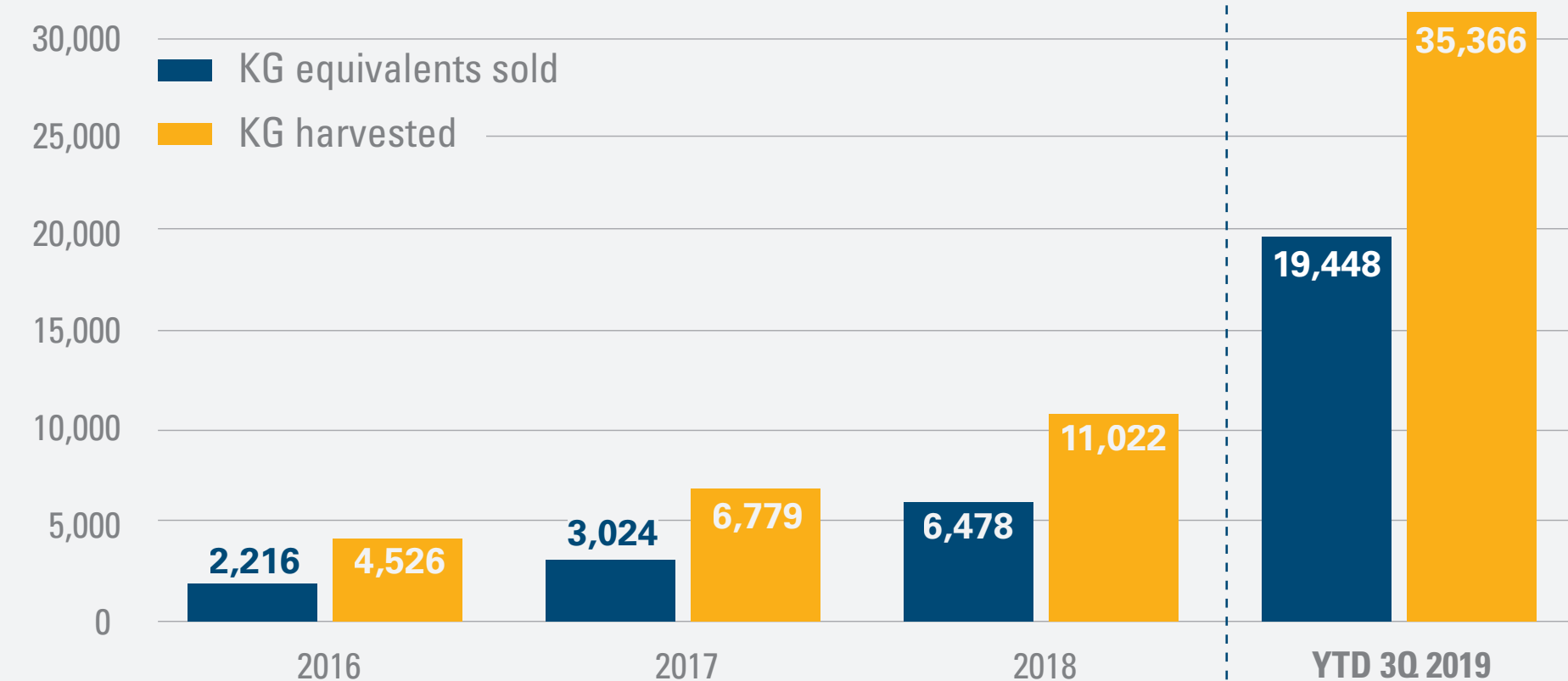


# Historical Financial and Operating Performance<sup>1</sup>

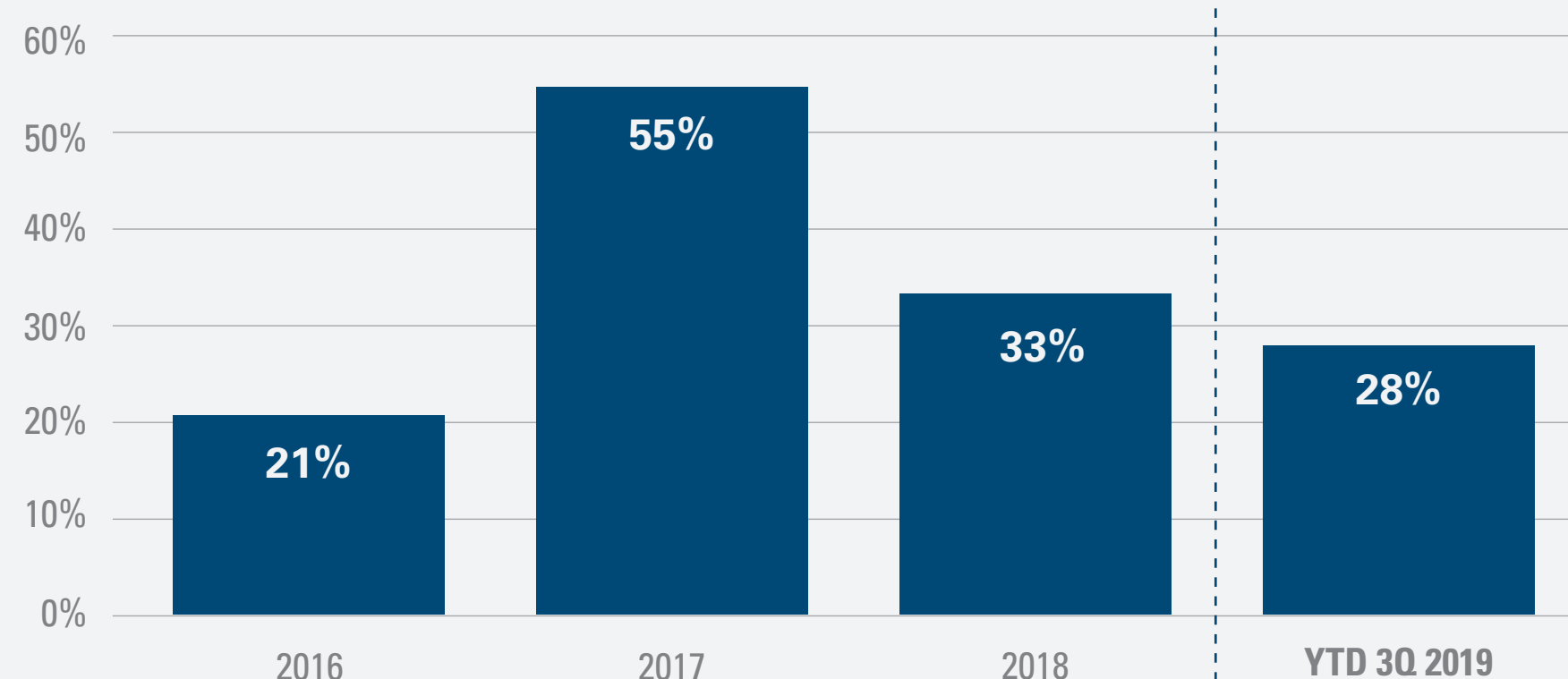
## Revenue



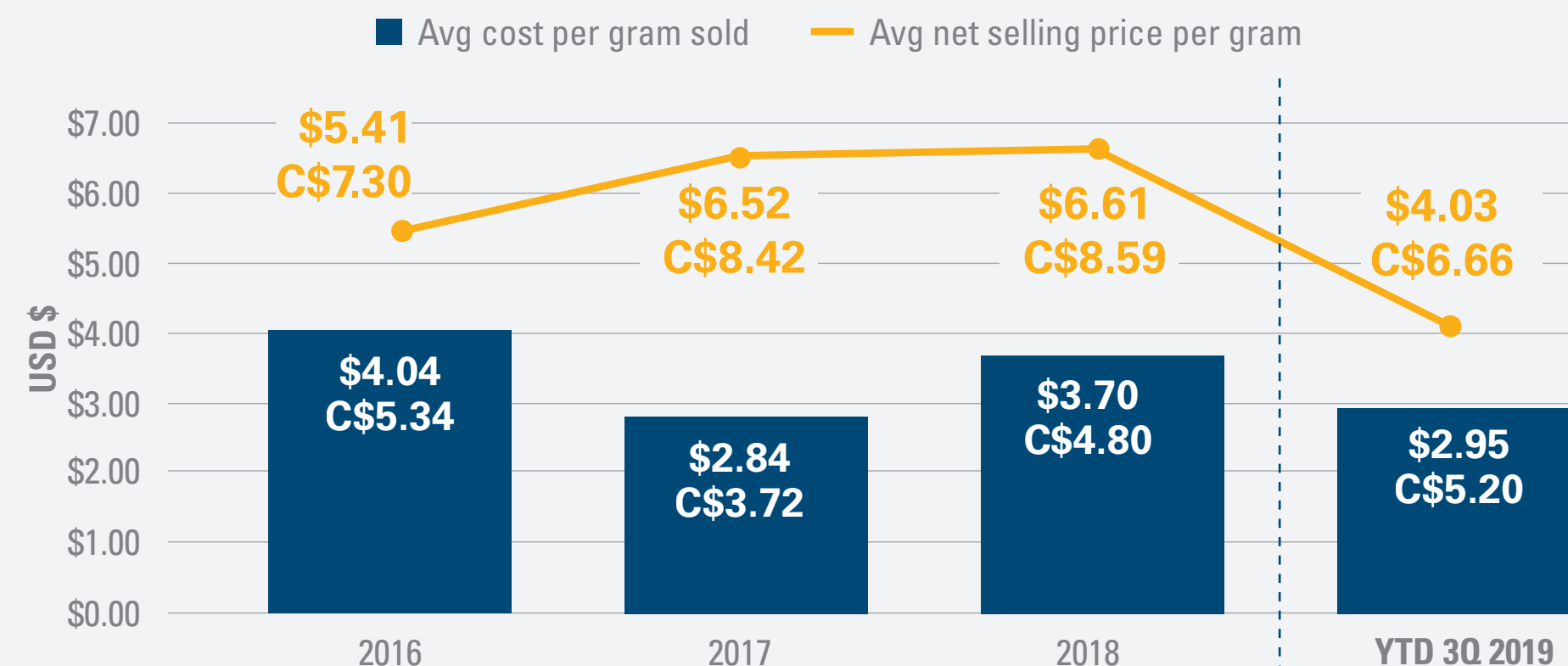
## Kilogram Equivalents Sold vs Harvested



## Gross Margin



## Selling Price vs COGS Per Gram



<sup>1</sup> BASED ON TILRAY'S AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2016, 2017 AND 2018 AND UNAUDITED STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019. INCOME STATEMENT FIGURES ARE CONVERTED AT THE SPOT RATE FOR EACH MONTH.

# Long-Term Financial Targets<sup>1</sup>

Estimate as a % of Revenue

Gross Margin	50%+
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Adjusted EBITDA	25%+
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Operating Income	20%+
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<sup>1</sup> SEE DISCLAIMER: FORWARD LOOKING INFORMATION AND USE OF NON-U.S. GAAP FINANCIAL MEASURES.



# Path to Profitability<sup>1</sup>

## Short-Term

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Increase scale, thereby decreasing costs

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Expand leadership in higher-margin international medical markets

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Launch higher-margin products and form factors such as vapes, edibles, etc.

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Leverage Manitoba Harvest infrastructure to launch U.S. CBD

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Build brand awareness of portfolio of brands

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## Long-Term

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Increase distribution of high-margin, value-added branded products globally in medical and adult-use markets

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Continue R&D to drive product development and improvement in product mix

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<sup>1</sup> SEE DISCLAIMER: FORWARD LOOKING INFORMATION





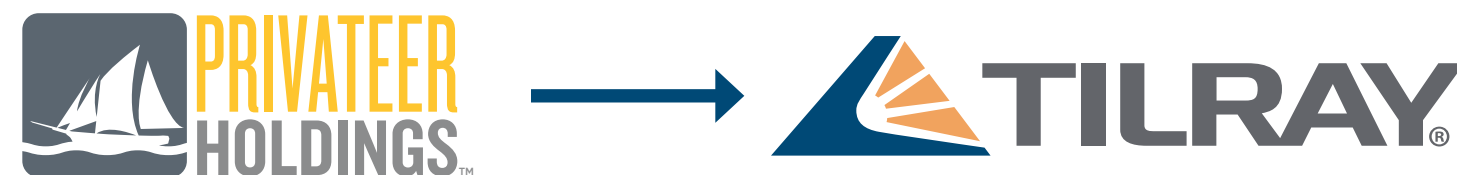
# Backed by Long-Term, Patient Capital

Extended Lock-Up Provides for Orderly Release of Largest Stockholders' Shares

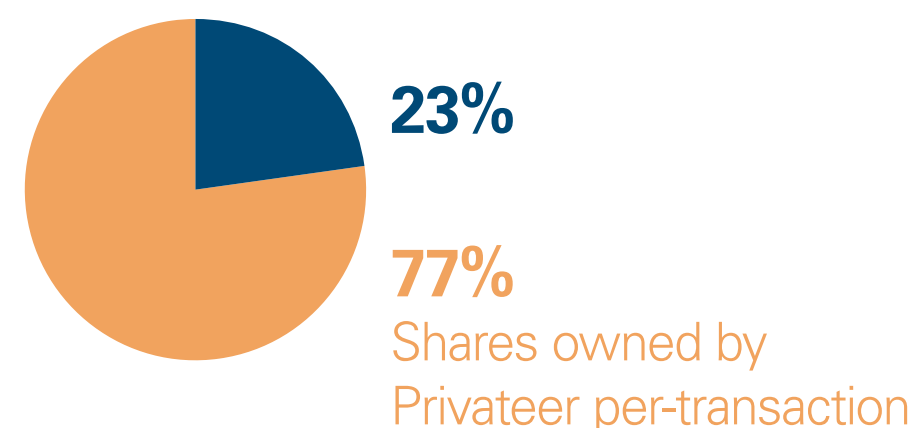
## Benefits to Tilray

- Enables capital raising & strategic M&A
- Enables orderly share distribution
- Increases liquidity to attract a broader investor base
- Post downstream merger, Tilray CEO and two other co-founders will own 30%+ of Tilray

## Downstream merger of Privateer into Tilray, expected to close by year-end



Tilray Controls  
Distribution of  
Privateer Shares



## Lock-up expires over two-years

### Year One

At Tilray's discretion, marketed offerings and/or block trades to institutional investors or stock sales to strategic investors

### Year Two

Remaining shares subject to a staggered release

<sup>1</sup> REFER TO RULE 425 LEGEND



# It's Day One in the Cannabis Industry

## \$150B<sup>1</sup>+ Opportunity

### Early Days in the Beginning of a Global Paradigm Shift

---

41/196 countries have legalized medical

---

2/196 countries have legalized adult-use

### We Will Win Because We Are:

---

Global Pioneers

---

Brand Builders

---

The Trusted Partner

---

Talented Management

---

Investing Aggressively Now for  
Long-Term Profitability

---

Backed by Long-Term, Patient Capital

<sup>1</sup> SOURCE: UNITED NATIONS WORLD DRUG REPORT. PROJECTIONS INCLUDE THE ILLICIT MARKET.

# Appendix



# Financial Performance<sup>1</sup>

Consolidated Statement of Net Loss (USD \$ in thousands)				THREE MONTH ENDED MARCH 31, 2019	THREE MONTH ENDED JUNE 30, 2019	THREE MONTH ENDED SEPT 30, 2019
	YEAR ENDED DECEMBER 31,					
	2016	2017	2018			
Revenue	\$ 12,644	\$ 20,538	\$ 43,130	\$23,038	\$45,905	\$51,101
Cost of Sales	9,974	9,161	28,855	17,653	33,631	32,248
Gross Profit	2,670	11,377	14,275	5,385	12,273	15,853
Gross Margin %	21%	55%	33%	23%	27%	31%
Research and Development Expense	1,136	3,171	4,264	1,048	1,528	2,315
Sales and Marketing Expenses	3,599	7,164	15,366	7,821	14,366	16,974
General and Administrative Expense	4,890	8,401	31,307	14,659	18,850	19,978
Loss from Equity Method Investments	-	-	-	-	-	1,837
Stock-Based Compensation Expense	94	139	20,988	5,306	7,585	8,315
Acquisition-Related (income) Expense, Net	-	-	-	4,424	2,464	(13,454)
Operating Loss	(7,049)	(7,498)	(57,650)	(27,873)	(32,520)	(23,302)

Tilray Sources of Revenue <sup>1</sup> (USD \$ in thousands)							NINE MONTHS ENDED SEPTEMBER 30, 2019	
	YEAR ENDED DECEMBER 31,							
	2016	% of Revenue	2017	% of Revenue	2018	% of Revenue	2019	% of Revenue
Dried Cannabis	\$11,324	89.6%	\$16,260	79.2%	\$21,674	50.3%	\$62,214	51.8%
Cannabis Extracts	1,107	8.8%	3,965	19.3%	21,179	49.1%	16,172	13.5%
Accessories	213	1.7%	313	1.5%	277	0.6%	490	0.4%
Hemp Products	-	0.0%	-	0.0%	-	0.0%	41,167	34.3%
Total	12,644	100%	20,538	100%	43,130	100%	120,043	100%

<sup>1</sup> BASED ON TILRAY'S AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2016/2017/2018, AND UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2019 AND SIX MONTHS ENDED JUNE 30, 2019, AND NINE MONTHS ENDED SEPTEMBER 30, 2019.

# Clinical Trial Strategy<sup>1</sup>

Build halo around the Tilray brand

---

Earn credibility with medical community and governments

---

Build government relationships and enter new markets

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Generate data to inform treatment and expand the addressable market

---

Create optionality to register or license medicines if they are found to be safe and efficacious

---

Partner with government and research institutions with existing capital for research expenses

<sup>1</sup> SEE DISCLAIMER: FORWARD-LOOKING INFORMATION



# Clinical Trials

Participation in clinical trials furthers our reputation as the most trusted brand in the industry<sup>1</sup>

Country	Indication	Research Partners	Drug Product	Phase	No. Of Patients <sup>1</sup>	Start Date <sup>1</sup>	Completion Date <sup>1</sup>	IP Owner Clinical Trial Drug	IP Owner Study Results	Tilray Role/Obligations
Australia	Chemotherapy-Induced Nausea and Vomiting (CINV)	NSW Government, University of Sydney, Chris O’Brien Lifehouse	Capsule; combination drug product (CBD & THC)	II & III	Phase II: 80 Phase III: 250	Phase II: Q4 2016 Phase III: Q1 2019	Phase II: Q4 2018 Phase III: Q1 2021	Tilray	Institution (with Tilray rights to use data, and Tilray option to acquire exclusive rights for market approval or insurance reimbursement)	Study drug supplier only
Australia	Severe Behavioral Problems in Children with Intellectual Disabilities	Murdoch Children’s Research Institute	Oral solution; combined drug product (CBD & THC)	II	10	TBD	TBD	Tilray	Institution (with Tilray rights to the data)	Study drug supplier only
Spain	Glioblastoma <sup>2</sup>	Grupo Español de Investigación en Neurooncología (GEINO)	Oral solution; combination drug product (CBD & THC)	Ib	30	Q3 2018	Q4 2019	Tilray	Institution (with Tilray rights to use data)	Study drug supplier only
USA	Essential Tremor	University of California, San Diego (UCSD)	Capsule; combination drug product (CBD & THC)	Ila	16	Q1 2019	Q2 2020	Tilray	Institution (with Tilray right to use data)	Study drug supplier; \$20,000 USD research support
USA	Alcohol Use Disorder (AUD)	New York University School of Medicine	Capsule; drug product (CBD)	II	40	Q3 2019	Q2 2020	Tilray	Institution (with Tilray rights to use data)	Study drug supplier, provider of funding (\$67,500 USD)
USA	Post-Traumatic Stress Disorder (PTSD) with Alcohol Use Disorder	New York University School of Medicine	Capsule; drug product (CBD)	II	60	Q3 2019	Q2 2020	Tilray	Institution (with Tilray rights to use data)	Study drug supplier, provider of funding (\$67,500 USD)
USA	Taxane-Induced Peripheral Neuropathy (TIPN)	Columbia University Irving Medical Center (CUIMC)	Capsule; combination drug product (CBD & THC)	I	TBD	Q4 2019	TBD	Tilray	Tilray	Study drug supplier
Canada	HIV/AIDS; Inflammation <sup>2</sup>	McGill University	Capsule solution; combined drug product (CBD & THC)	II	26	TBD	TBD	Tilray	Institution (with Tilray rights to the data)	Study drug supplier only
Canada	Pediatric Epilepsy	Toronto’s Hospital for Sick Children (SickKids)	Oral solution; combination drug product (CBD & THC)	I Open-label	20	Q4 2017	Q1 2018 (complete)	Tilray	Institution (with Tilray option to acquire exclusive rights for market approval or insurance reimbursement)	Study drug supplier, and provider of funding (C\$147,000 committed)
Canada	Post-Traumatic Stress Disorder (PTSD)	University of British Columbia	Vaporized dried cannabis	II	42	Q4 2016	Q2 2019	Tilray	Tilray	Regulatory sponsor, study drug supplier and provider of funding (C\$228,000 committed)

<sup>1</sup> SEE DISCLAIMER: FORWARD-LOOKING INFORMATION

<sup>2</sup> REGULATORY APPROVAL PENDING

# Established Medical Brand

We believe patients choose Tilray because we are a scientifically rigorous brand known for producing pure, precise and predictable medical-grade products

CBD-dominant

THC-dominant

THC & CBD balanced



Full Spectrum Capsules **SANDOZ** A Novartis Division



Clinical Products



Whole Flower



Ground Flower



Full Spectrum Oil **SANDOZ** A Novartis Division



Purified Oil



# Global Medical Opportunity

41 countries have authorized medical use.  
Our products are in 13 countries.

 ARGENTINA		GREECE		ROMANIA
 AUSTRALIA		IRELAND		SLOVENIA
AUSTRIA		ISRAEL		SOUTH AFRICA
 BRAZIL <sup>1</sup>		ITALY		SOUTH KOREA
 CANADA		JAMAICA		SPAIN
 CHILE		LUXEMBOURG		SRI LANKA
COLOMBIA		MACEDONIA		SWITZERLAND
COSTA RICA		MEXICO		THAILAND
 CROATIA		NETHERLANDS		TURKEY
 CYPRUS		NEW ZEALAND		UNITED KINGDOM
 CZECH REPUBLIC		NORWAY		UNITED STATES
DENMARK		PERU <sup>1</sup>		URUGUAY
FINLAND		POLAND		VANUATU
 GERMANY		PORTUGAL		ZIMBABWE

<sup>1</sup> TILRAY PRODUCTS NOT CURRENTLY AVAILABLE IN THESE COUNTRIES

## Australia & New Zealand

Completed multiple exports to both countries

Two pharmaceutical distribution agreements

Two government contracts

## Latin America

Signed strategic agreement with pharmaceutical importer and distributor serving Argentina, Brazil, Chile and Peru

Completed exports to Argentina and Chile

## U.S. & Mexico

Mexico on the path to legalize adult-use

U.S.: 33 medical-use states; 11 adult-use states

Farm Bill passed in December 2018

# Global Medical Partnerships

In order to efficiently and rapidly increase our scale, we are partnering with established pharmaceutical distributors and pharmacy retailers

GLOBAL

**SANDOZ**

A Novartis  
Division

CANADA

**SHOPPERS**  
DRUG MART



**PHARMASAVE**<sup>®</sup>

GERMANY

**NOWEDA**

**PHARMA  
PRIVAT**



Näher dran. Weiter vorn.

**GEHE**

*paesel + lorei* 

**PHOENIX** *group*

**Alliance  
Healthcare** 



# Board of Directors

The first women-led board of a major cannabis company



**Brendan Kennedy**

Chief Executive Officer



**Christine St. Clare**

Retired Partner



**Rebekah Dopp**

Principal



**Scotty Greenwood**

Chief Executive Officer



**Michael Auerbach**

Senior Vice President

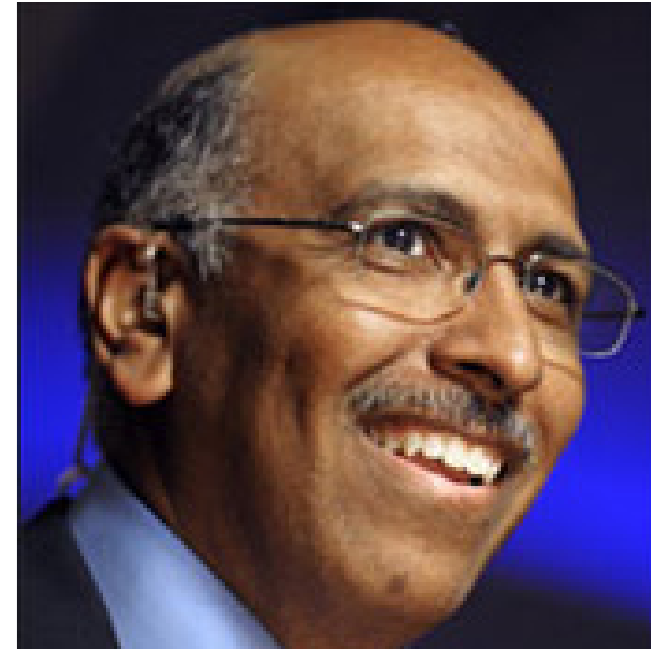


# International Advisory Board

Nine internationally-renowned business and government leaders who advise Tilray on global expansion



**Governor Howard Dean**  
Former DNC Chairman and  
Governor of Vermont



**Michael Steele**  
Former RNC Chair and  
Lt. Governor of Maryland



**Lloyd Axworthy**  
Former Canadian Minister of  
Foreign Affairs



**Joschka Fischer**  
Former German Foreign  
Minister and Vice Chancellor



**Jaime Gama**  
Former Portuguese Minister of  
Foreign Affairs and Speaker of  
the Parliament



**Alexander John Gosse Downer**  
Former Australian  
Foreign Minister



**Donald McKinnon**  
Former New Zealand  
Foreign Minister and  
Deputy Prime Minister



**James O'Brien**  
Former U.S. Special  
Presidential Envoy



**Dr. Lorna Marsden**  
Former Canadian Senator



# Medical Advisory Board

The Medical Advisory Board participates in our clinical trial selection process and provides Tilray with additional credibility as a clinical trial participant

## Highly accomplished researchers and physicians



**Orrin Devinsky,  
MD, Chairman**

Director  
Comprehensive  
**Epilepsy** Center  
NYU Langone



**Abraham  
Chachoua, MD**

Associate Director  
Perlmutter  
**Cancer** Center  
NYU Langone



**Catherine  
Lord, PhD**

Professor and Director  
Center for **Autism** and  
the Developing Brain  
Cornell and Columbia  
Universities



**Elizabeth K.  
Hale, MD**

Clinical Associate  
Professor  
**Dermatology**  
NYU Langone  
Co-Founder  
CompleteSkinMD