



# Cannalink, Inc.

(OTC: CNLK)

## A New Force in a New Economy

Now that investors have been able to gain some distance from the recent shake-out in the Cannabis/Marijuana Sector of the Microcap Market, we are now witnessing a period of normalization and the emergence of a renewed interest in the sector; the speed of development and the potential size of the sector is simply too big to ignore. During the unprecedented run-up of many MMJ related stocks during recent years, many investors made emotional investment decisions and got caught up in the excitement of rapidly increasing share values, driving up stock prices in the sector quickly and indiscriminately. This was often times based on superficial or a complete lack of research and due diligence. After analytic thinking and rational investment behavior has returned, share values in the sector have and will continue to adjust accordingly.

While today's market is fragmented and somewhat unregulated, emerging now are a handful of leading-edge, well-managed companies with new and innovative business models. These companies either have a solidly structured plan and path to revenues, or have already begun to generate revenues and/or shareholder value. Their business models will continue to evolve and remain viable due to the fact that their value is driven by a market that demands high-quality products, services, and more than anything, experience and strong leadership.

This is a new breed of MMJ companies, run by experienced management teams that have the ability to execute their business plan in a timely manner, generate significant revenues and provide value to their investors. As with any new industry or technology that develops through different phases into a maturing market, there is enormous opportunity at the beginning of such a development. In the case of the MMJ sector, a new industry that holds enormous promise, some analysts call it "A New Economy". In our opinion, Cannalink Inc. (CNLK) can be one of the leading companies driving this development.

Legalization, as well as public acceptance of medical and recreational marijuana and commercial products derived from CBD oil, is advancing at a rapid rate and in an increasing number of states. This development is not only going to generate renewed interest in the commercial aspect of the sector, but also create a residual effect on the Public Markets. To succeed as a public company in the sector and become a market leader, it is critically important to operate with credibility and transparency. This new breed of companies needs to be able to withstand the strict due diligence criteria applied by the investment community that is, or may be willing to invest in the sector. This is the beginning of a potentially huge market segment that is only in the early stages of development and may be the ideal scenario to apply the age old adage "Buy low and Sell high". Accordingly, institutional investors and select Silicon Valley funds seem to be anticipating a strong sector upswing and are now stepping into the ring to participate and benefit.

Seasoned investors are beginning to realize the significant potential of this newly-emerging MMJ sector, especially in the intersection of high-tech product development, well-managed companies and investment and merchant banking operations specialized in the sector. The medical marijuana market in California, the largest market in the US, remains relatively unregulated, despite pressure on lawmakers from different groups to regulate the industry. As legalization advocates prepare to put recreational marijuana on the 2016 ballot, California Attorney General Kamala Harris states that cannabis legalization in the CA state is “inevitable”. As public sentiment has changed in many states to favor marijuana legalization, investors and established venture capital firms have become more open to funding legal ventures in the marijuana space.

## A NEW ECONOMY

The news bureau, UPI, calls the Cannabis boom a “New Economy”. With the implementation of further regulations clarifying remaining uncertainties, the establishing of proven quality control systems in manufacturing and high quality product offerings, consumer confidence will keep improving. We expect this industry to be fast growing and potentially comparable to the early growth in the computer industry, as far-fetched as this comparison may seem at this point.

Cannalink, Inc. (CNLK) is well-positioned in this new economy to become a major player in the medical and therapeutic cannabis (“CBD” or “Cannabinoid”) industry by providing legal, high-quality products and essential services to both consumers and businesses in the MMJ space. CNLK is well funded and managed by an experienced operating team with significant expertise in the MMJ and merchant banking sector.

This high level of excitement that accompanies the “Cannabis Rush” has given rise to a fractured market that is still littered with less sophisticated and inexperienced start-up entrepreneurs. However, underneath this rough surface, a handful of leading-edge and well-run companies are beginning to emerge and take charge. SWI believes that tremendous potential exists in the sector and is ready to be garnered by the more experienced companies. CNLK’s experienced management team will be able take advantage of this fractured market and become a market leader by consequently implementing the Company’s plan with a strategic focus on its core competencies. CNLK will utilize its decades of experience in the MMJ and financial markets to build an all-encompassing, credible firm for the benefit of its shareholders, employees and partners.

# INVESTMENT HIGHLIGHTS

**CNLK'S MULTI-FACETED STRATEGY TO DRIVE REVENUE GROWTH, MARKET SHARE AND RETURN ON INVESTMENT INCLUDES THE FOLLOWING OBJECTIVES:**

- Develop, manufacture and/or acquire high-quality, legal CBD-based (1) products that are delivered in the most efficient manner practicable (i.e. sublingually).
- Professionally merchandise, market and distribute its products throughout its existing Healthcare Practitioner Network.
- Acquire Companies and/or enter into strategic alliances that have a synergistic business model, are a strategic fit, allow easy integration and will accelerate revenue development for CNLK.
- Provide investment, consulting and Merchant Banking services for emerging growth companies in the MMJ space.

## INVESTMENT THESIS

With its new headquarters in downtown San Diego, CA and satellite offices throughout Southern California, CNLK is run by an experienced management and consulting team with longstanding relationships in the MMJ and financial markets. Based on this experience, CNLK is implementing its four-pronged business model according to its business plan.

While the company is still in its early development stage and accordingly has no revenues yet, it appears to have promising revenue growth prospects. Such prospects are the development and/or acquisition of proprietary and branded products as well as its established health care practitioner distribution network. This existing distribution network utilizes an ideally suited direct sales approach to thousands of healthcare practitioners.

CNLK's current focus is on additions to its management team and aggressively expanding its product and distribution network. The Company is in the process of intensifying its ongoing discussions for strategic alliances and potential acquisitions through its merchant banking services, which should generate a significant portion of its future revenues, especially during FY2 through FY3.

We expect that investors will make their decisions based on the operating progress that can be demonstrated in both the Company's high-margin specialty CBD businesses, as well as its potential strategic alliances and acquisitions plans.

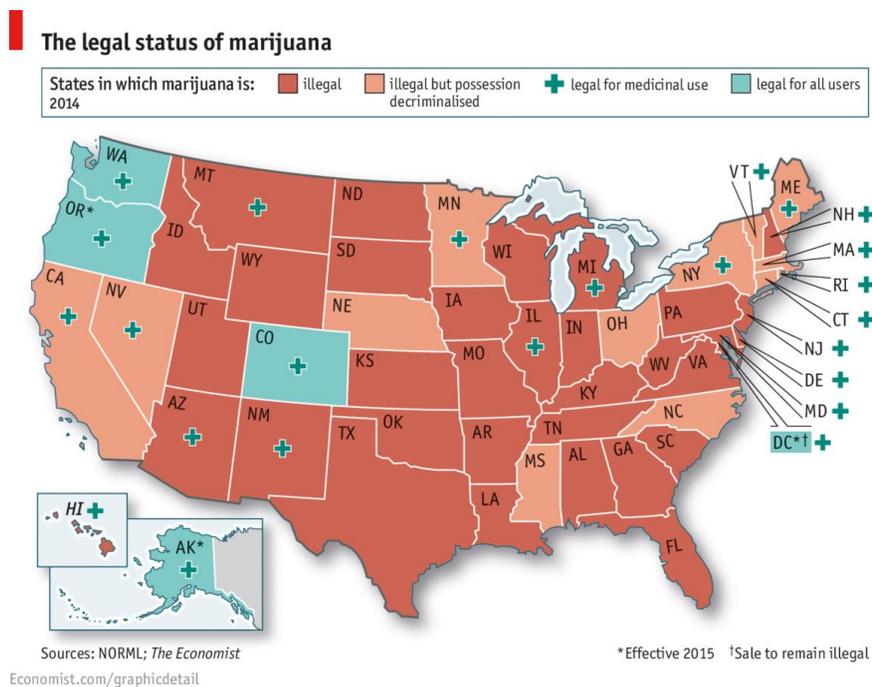
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(1) Cannabidiol or "CBD" is a legal product based on the non-psychoactive ingredient extracted from the cannabis plant that does not generate the typical marijuana "high." CBD has a number of indicated medicinal uses including the relieving certain seizures, use of its strong antioxidant properties, reduces inflammation, retards cell damage, eases anxiety and lowers blood pressure, as well as induces apoptosis in certain forms of cancer cells .

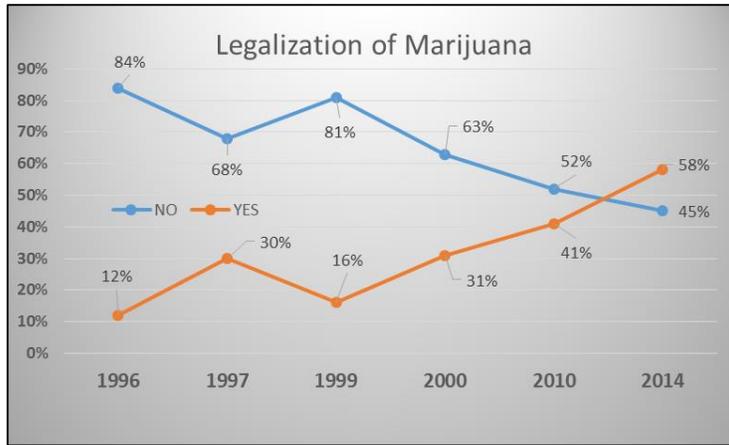
Furthermore, there are only a few well-managed and financed companies that are likely to succeed, which are focused on the less controversial and legal CBD market where CNLK is positioning itself. The cannabinoid market is an extremely fast-growing sector of the larger biopharmaceutical industry, a market sector that has shown to produce enormous returns for investments. CNLK is aiming to establish itself as one of the leading firms in the sector.

## Legalization

The medical marijuana industry in the US and Canada is making a move towards continuing legalization. Twenty seven (27) states in the United States have already legalized medical marijuana and more (11 states pending) are following suit.



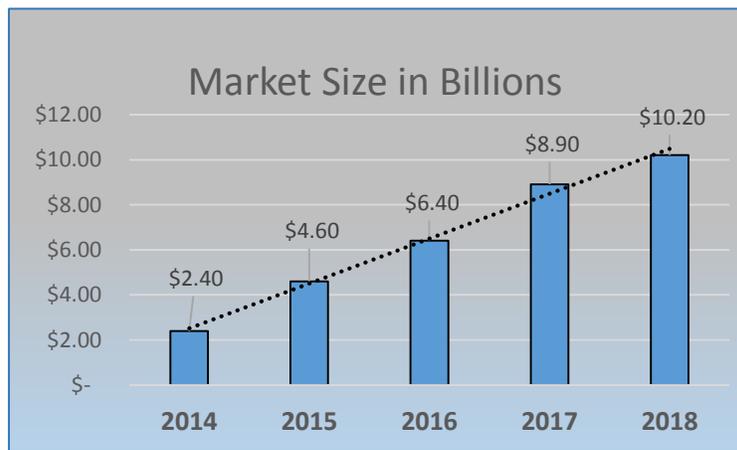
Five states have already approved recreational use and more are to follow, while the public sentiment continues to change in favor of legalization. While only twelve (12%) supported the legalization of Marijuana in 1996 with eighty four (84%) opposing it, the pendulum has swung to the other side. In 2014, fifty eight (58%) of the population have been supporting legalization of Marijuana versus forty five (45%) opposing it; A DRASTIC CHANGE, and the support for legalization keeps growing nation-wide.



## The Market

The US MMJ and CBD industry is an emerging market with potential annual revenue estimates ranging from \$80 - \$110 billion for the entire marijuana market. The MMJ sector is projected to grow by 39% during the next 4 years. ArcView Angel Investors forecasts the medical marijuana market alone at \$4.6 billion in 2015 and expects it to grow to \$10.2 billion within a period of 4 years. MJM companies participating in the industry and that we sampled, expect the market MMJ segment to grow to \$17 Billion during the same period.

The present US MMJ market is dominated by just two (2) states, California and Colorado, which account for ninety two (92%) of the present market share. CNLK's headquarters is located in San Diego, California.



Apart from the established states with already established laws in favor of legalization, more markets for marijuana usage for medical and recreational purposes are slowly emerging in many other states and all across the world. Based on these trends and the fact that additional states will likely expand the legality of MMJ products soon, we expect robust growth in the overall U.S. marketplace.

The Hemp and Cannabis industry is in its nascent stage and has yet to fully develop, especially the segment suitable for a public company that complies with Federal and State regulations. The worldwide market is as fragmented as the US market and is not clearly dominated by one or two large companies, thus creating significant opportunities for well-structured companies that are sufficiently funded and will be able to operate globally. Bloomberg Business estimates that the entirety of the marijuana industry (legal and illegal), on a worldwide basis, will exceed \$110 billion in 2014. CNLK has the capacity to provide its services for the legal portion of this market on a global basis.

While still in a turbulent development phase, the Marijuana Industry is continuing to consolidate and new laws, rules and regulations are being established to better regulate the industry. Several companies have entered into joint ventures or have been acquired, re-organized or strategically aligned their business models and are expected to lead to cohesive growth, producing sustainable values for their shareholders.

### **Cannalink, Inc. is Well Positioned**

CNLK is developing its own products and has acquired or is in the process of acquiring additional products for distribution through its existing Health Practitioners Network. In addition, they are planning to enter into strategic alliances with credible, existing manufacturers and distributors that focus on the less controversial and widely legal CBD-based products, which will satisfy CNLK's high quality requirements. This positions CNLK to take advantage of this fast-growing market sector. With a clear focus on high-quality products that are safe and legal as well as strategic alliances and acquisitions of companies that have significant potential and solid management, CNLK is poised to succeed.

We expect that CNLK will capture a significant percentage of the burgeoning global MMJ market. CNLK is run by a management team and supported by an advisory board with deep experience in the MMJ market sector, as well as decade long experience in the financial markets. This team represents the complete skillset required to build a successful company and has long-standing Wall Street relationships to raise funds at favorable conditions to fuel CNLK's accelerated growth. CNLK is currently negotiating and will enter into strategic alliances and investments in companies that can be successfully integrated and managed, which will expedite the revenue growth of the Company.

## STRATEGY

### Acquisition

CNLK has acquired all Technology and Business Assets of a CBD based spray. It plans to complete other strategic Investments in the MMJ space.

### Products

CNLK will develop additional CBD-based products and distribute them through its existing network of Healthcare Practitioners.

### Investment

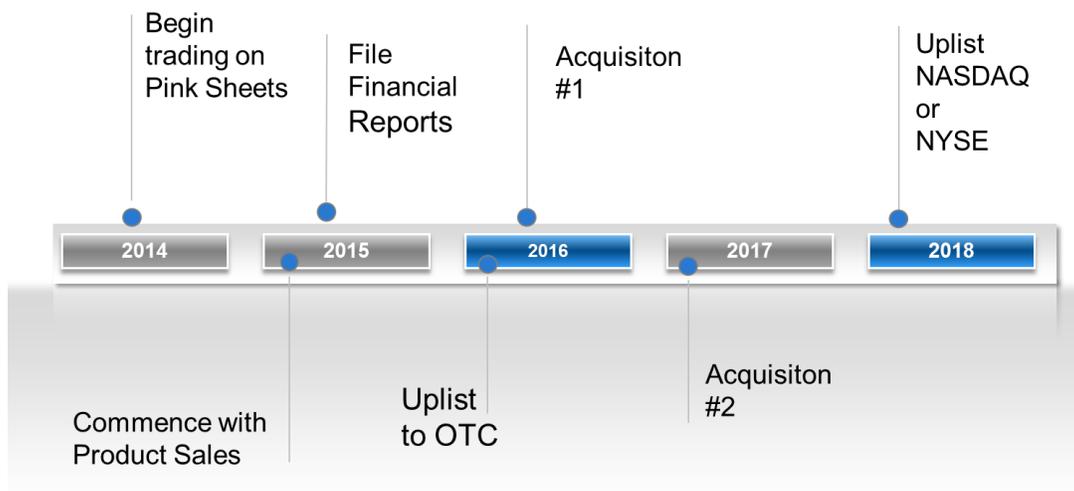
CNLK has longstanding experience, expertise and funding sources to invest and provide Advisory Services to promising companies.

### Alliances

CNLK will enter into promising Strategic Alliances to expedite revenue growth.

CNLK plans to take advantage of the ongoing consolidation trend in a market scattered with small and inexperienced organizations. Furthermore, CNLK will use the willingness of these companies to strategically align and/or seek professional advice and utilize reliable managerial and financing resources. The Company is in an ideal position to provide all of these services to potential strategic partners.

## Cannalink, Inc. Timeline



# CANNALINK MILESTONES

## Forecasting Revenues of \$33 Million in 2018

CNLK is in the early development stages. Projected revenues, profit margins and profits are based on the capability of the Company to timely execute its business plan. CNLK forecast revenues to grow from \$800,000 in FYE 2015 to approximately \$33 Million by FYE 2018. Based on these projections and provided that the Company raises \$2 Million in capital (over the next 24 months), we believe that CNLK is one of the best investment opportunities in the new Marijuana market sector.

### Cannalink, Inc.

#### Projected Profit and Loss 2015-2018

CNLK	2015	2016	2017	2018
Product Sales	\$ 200,000	\$ 1,600,000	\$12,000,000	\$ 25,000,000
Investment Banking	\$ 200,000	\$ 400,000	\$ 2,000,000	\$ 4,000,000
Consulting	\$ 400,000	\$ 800,000	\$ 2,000,000	\$ 4,000,000
<b>Revenue</b>	<b>\$ 800,000</b>	<b>\$ 2,800,000</b>	<b>\$16,000,000</b>	<b>\$ 33,000,000</b>
SG&A	\$ 200,000	\$ 500,000	\$ 1,400,000	\$ 7,000,000
Expenses	\$ 300,000	\$ 500,000	\$ 2,400,000	\$ 9,000,000
<b>Total Expenses</b>	<b>\$ 500,000</b>	<b>\$ 1,000,000</b>	<b>\$ 3,800,000</b>	<b>\$ 16,000,000</b>
<b>Net Income</b>	<b>\$ 300,000</b>	<b>\$ 1,800,000</b>	<b>\$12,200,000</b>	<b>\$ 17,000,000</b>



The Company has been trading publicly under the symbol CNLK (OTC Pink Sheets) since September 9, 2014 and intends to become fully-reporting within nine (9) to twelve (12) months. In the interim, CNLK plans to commence with filing financial reports with OTC Markets in order to comply with reporting obligations necessary to make the benefits of Rule 144 available to its shareholders.

## The Management Team

CNLK has a strong and diversified management team with long standing experience and relationships in the cannabis and financial industries. Management has developed a clear and achievable 4-year operating plan, which is ideally suited to take advantage of this fast growing and still fragmented MMJ market. It intends to expeditiously execute its business plan, quickly identify new and profitable investment opportunities, surpass the performance of the fragmented competition and establish itself as the market leader in order to produce significant returns for its investors.

CNLK maintains its headquarters in San Diego and is managed by its Chairman and CEO, Robert L. Plomgren supported by Robert Malasek, its Chief Financial Officer. Key management, sales and marketing positions will be filled with experienced managers within the next six (6) months. The Company also plans to use several existing sales and marketing channels of companies it is strategically aligned with to expedite market penetration, brand building and revenue generation.

## The Team

### **Robert L. Plomgren**

CEO and Chairman

Mr. Plomgren has been a leader in the financial services arena since 1982. He is a regional director of Cost Segregation Initiatives, a premier national cost segregation firm. From 2002 through 2004, Rob was Managing Director of Galen Capital Group, LLC, a healthcare merchant bank. Rob also served as a Managing Director of Venture Banking with Columbus Newport from 1998 to 2001. His primary roles were to co-manage the origination, as well as to structure and place the firm's equity transactions.

Prior to joining Columbus Newport, Rob operated as an interim executive specializing in strategic planning and operational management for closely-held companies. Previously, Rob spent 16 years in the investment and securities industry, where he developed an expertise in the formation and marketing of private placements and public offerings for middle market companies. He has co-managed total placements in excess of \$800 million in such diverse industries as mortgage servicing, cable television, environmental services, medical technologies and manufacturing.

As a partner in the Southern California-based financial advisory firm of Stout, Plomgren and Waner, Rob designed and implemented investment management, tax, retirement and estate planning strategies for corporate executives and high net worth individuals.

He attained his CFP designation in 1987 and has held series 24 and 7 securities licenses. Rob received his BA and MS from the University of Redlands.

### **Robert Malasek**

Chief Financial Officer

Mr. Malasek currently serves as the Chief Financial officer of Cannalink, Inc., to which he has been appointed on April 24, 2015. Mr. Malasek previously served as the CFO of Liberty Coal Energy since February 1, 2011 and has served as the Chief Financial officer and Secretary for Naturewell, Inc., to which he has been reappointed on August 15, 2006. Mr. Malasek had previously served as Controller for NatureWell, Inc. from September of 2001 until October of 2002, at which time he began serving as Chief Financial Officer and Secretary until his resignation in May of 2005. Since May 2005, Mr. Malasek has rendered accounting consulting services to a variety of clients (i.e. Struans Media Corp), including a number of public companies. From September 1987 until August 1999, Mr. Malasek was employed with Starwood Hotel & Resorts Worldwide, Inc. in a number of positions within the accounting department and became Assistant Controller in 1998, the position he held until his departure in 1999. Mr. Malasek received his Bachelor of Science in Accountancy from San Diego State University in 1998.

## **The Advisory Board**

The Company is currently in the process of establishing an experienced Advisory Board, consisting of members with deep experience in the MMJ industry and the financial markets to assist in expediting the company's growth. Mr. Stuart W Titus has been charged with establishing this team.

### **Dr. Stuart W. Titus, PhD**

Advisory Board

Dr. Titus has been appointed as the Chairman of the Cannalink Advisory Board and has been charged with establishing an advisory board for Cannalink. Dr. Titus brings valuable industry experience to the Board as a Financial Consultant in various financial endeavors assisting in establishing financing for start-up enterprises, including efforts with Medical Marijuana Inc. (OTC:MJNA), CannaVest Corp (OTC:CANV), Global Payout (OTC:GOHE) and others. He also formed General Hemp, LLC and is a member of the Board of Directors of KannaLife Sciences, Inc. an emerging biotech company that holds the exclusive license (from the National Institutes of Health) to develop pharmaceutical medicines based on the US Government patent on the therapeutic usage of cannabinoids. He also serves on the board of Salvation Life Sciences, Inc., which is a joint venture between Salvation Botanicals of Vancouver, BC, Canada and KannaLife Sciences Inc. to develop and market high-quality botanical herbal products as nutritional supplements and teas.

Dr. Titus is also a pending board member for Alternative Health Canada, a company located in Toronto, Canada with numerous business interests in the emerging medical marijuana space including grow facilities licensed by Health Canada. The Company has also developed medical software and clinics supporting the distribution of medicinal cannabis in Canada as well as a crowd-funding business (SYB) for various cannabis projects.

In addition to his experience in the MMJ sector, Dr. Titus brings valuable Wall Street experience to the Advisory Board, having worked for a decade as short-term bond trader starting at A.G. Becker, Prudential-Bache Securities and finally CS First Boston. He majored in economics and business at Rollins College in Florida, continued his education as a Clinical Associate at the American Academy of Pain Management and the American Academy of Integrated Medicine. He graduated from the University of Colombo, Sri Lanka, an Affiliate of the World Health Organization, and holds a PhD degree in British Physiotherapeutics and has maintained his fellowships with the AAIM and AAPM groups.

### **Dr. Lou Lipschultz**

#### Advisory Board

Dr. Lou Lipschultz received his Doctor of Optometry degree in 1986 and has enjoyed a successful career as an eye care professional. He gravitated toward the business aspects of the medical industry, as exemplified by his acquiring 10 eye care offices in the Chicago area, and merging them into three powerhouse locations. Lou has sat on multiple boards including Bausch & Lomb. In 2000, Dr. Lipschultz left full time practice to assume the CEO position of the world's leading manufacturer of low vision and blindness products; New Zealand-based HumanWare. Humanware grew from \$4.0M in sales to over \$45M by 2004, beginning his quest as a tech entrepreneur in 2005.

Dr. Lipschultz formed a development team, and began building technology that served the global blindness community such as the blindness portal OcuSource.com. LetsGoEXPO ([www.letsgoexpo.com](http://www.letsgoexpo.com)) was a leading-edge project, culminating in an online meeting platform that integrated meetings, e-learning, team training, and on-location conference management. He then expanded into live streaming of video (webcasting) with integrated online advertising ([www.unitedwebcast.com](http://www.unitedwebcast.com)), a polling and voting site ([www.letsgovote.com](http://www.letsgovote.com)), and charitable donations ([www.letsgodonate.org](http://www.letsgodonate.org)). Dr. Lipschultz' most recent endeavor, Neovix, Inc. is building a digital advertising network in conjunction with several television advertising networks.

Dr. Lipschultz is also a professional speaker, having spoken throughout Europe, Asia, Africa, Australia and New Zealand, as well as throughout the US, on topics in medicine, accessibility, and web technology. He has served as a director on both corporate and non-profit boards. He resides in Fullerton California, with his wife Susan, a Professor at USC and the Southern California College of Optometry.

# CBD PRODUCTS

While CNLK is not making any medical claims or any other claims for the treatment of medical conditions in regards to its products, there is a wealth of third party studies addressing the pros and cons of marijuana in general use and the application of MJ for certain conditions.

According to a number of third-party studies, CBD may help relieve seizures, have strong antioxidant properties, reduce inflammation, retards cell damage, eases anxiety and lower blood pressure, as well as induces apoptosis in certain cancer cells. These statements are being widely used but have not been independently verified by or for CNLK and CNLK is not making such claims for any of its products. We encourage the interested investor to embark on its own research.

In the embryonic CBD market, it is critically important for a product's long-term success to ensure that high-quality and pure extracts of CBD can be efficiently delivered. The Company focuses on its research and development and believes that there is significant opportunity to capitalize on the existing need in the legal over-the-counter market for such products.

CNLK plans to develop a range of advanced CBD based products adhering to these strict principles for distribution through its existing Healthcare Practitioners Network. The expansion of the CNLK product roster will be accelerated through strategic acquisitions of carefully selected companies that meet the CNLK acquisition and quality criteria.

## PRODUCT DEVELOPMENT

Based on the proprietary technology of its first product acquisition, CNLK is currently developing a CBD-based product using a sublingual (under the tongue) delivery system, called "Cannalink Spray". The CBD spray utilizes the same carrier technology that had been successfully deployed in MigraSpray. This technology allows for an almost immediate uptake of the active ingredient (water soluble CBD powder with a purity greater than 95%) and improved bioavailability.

1. Cannalink Spray (CBD Spray)
2. Cannalink Raw Food Bar (CBD)
3. Small animals and Equestrian product (CBD)

CNLK is negotiating to co-brand its Cannalink CBD Raw Food Bar with a successful Raw Food Bar manufacturer and sell it under the Food Bar manufacturer's established brand. The Company is in the process of preparing the first production run of 6,000 units to be delivered to selected stores. CNLK is in negotiation with a Medicinal Mushroom supplier and may cobrand with this supplier, or simply buy a mushroom formulation and have a CBD/Mushroom product ready for marketing within six months. CNLK also intends on entering the Veterinary market for small animals and the Equestrian market for CBD products relating to metabolism and immune support.

There is precedence for the wide acceptance of such products in the market. In the prescription medication market, GW Pharmaceuticals (“GW”) has capitalized on the need for accurate and high quality measured doses by producing an oromucosal spray medication, Sativex<sup>®</sup>, that is approved in over 20 countries worldwide for the treatment of conditions associated with MS.<sup>2</sup> It appears that the major attraction of Sativex is the highly-professionalized development and manufacturing processes that GW has utilized in marketing the drug, which is accurately dosed and made of high quality and pure ingredients.

## **Professional and High-Quality Product Development and Marketing**

The companies that will survive and flourish in the emerging cannabis market will be those that move away from a fringe, counterculture approach and embrace professional, high-quality product development and superior marketing and distribution protocols. As an example, GW Pharmaceuticals plc (“GWPH”), has successfully set itself apart from the fringe movement as the undisputed leader in the space and has been rewarded with a market capitalization of approximately \$1.7 billion on just over \$40 million dollars in annual sales. SWI believes that GW’s success demonstrates the need for a variety of over-the-counter professionally merchandised and marketed CBD products, such as those CNLK is planning to develop or acquire, made from high-quality and pure extracts, combined with consistent and accurate dosing.

## **Existing Distribution – High Profit Margins**

“Cannalink Spray” and other CNLK products will initially be marketed through a network of over 5,000 healthcare practitioners as well as direct to consumers using primarily online marketing and sales. As CNLK has purchased some of the MigraSpray business assets, this existing distribution platform will be immediately available to CNLK when it rolls out its own CBD products. The Company plans to increase its health care practitioner distribution network to 20-25,000 professionals over the next 3 to 5 years with a projected revenue goal of \$35 million from this segment alone by 2018.

Additionally, the Company will develop a direct-to-consumer distribution model via Internet, television and targeted marketing channels to appeal to various support groups who have expressed a strong desire to provide access to the product to their members. It is anticipated that by utilizing existing, advanced and economical manufacturing processes, CNLK will be able to ensure gross profit margins of approximately 70-80% over time.

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<sup>2</sup> Sativex contains THC, however, GW has also developed a CBD-only product named Epidiolex, a treatment for children’s epilepsy.

## **INVESTMENT AND MERCHANT BANKING**

### **CannaVentures Provides Extensive Experience**

Through its CannaVentures division, the Company will provide Investment and Merchant Banking services to emerging companies in the industrial hemp and medical marijuana (CBD) space. Although there are a large number of entrepreneurial participants in the infant MMJ industry, many of these players operate through companies that lack operating expertise and financial resources.

CannaVentures will provide guidance to emerging companies by offering business consulting and investment banking services. When appropriate, the Company will also invest, acquire and/or participate in joint ventures with those MMJ-based entities that it finds particularly attractive and that promise to accelerate CNLK's development and revenue growth

The Company aims to be the leading provider of financial education, management expertise and venture capital to investors and businesses interested in this dynamic market sector.

## **PROJECTS AND INITIATIVES**

### **Technology**

As one of the first potential acquisition projects, CNLK is currently in the due diligence phase for the acquisition of the exclusive rights in the MMJ sector for a revolutionary and patent pending Near Field Communication (NFC) product. This is a small microchip sticker, virtually paper-thin and weightless, providing crucial functions the identification, tracking and authentication of products.

### **Products**

In furtherance of this line of business, CNLK is in discussions with Medical Marijuana, Inc. (Pink Sheets: MJNA), the world's pioneer and leader in the MMJ space, to collaborate on various other projects and initiatives.

### **Investment and Acquisitions**

CNLK is in discussions with General Hemp, LLC, a hemp-focused investment company, which is majority owned by MJNA's largest shareholder: an individual who is also an investor in Cannalink, to jointly analyze and review hemp-related and legal business opportunities that involve emerging companies in the MMJ sector. The Company, in cooperation with General Hemp and other related companies will conduct research and due diligence on these companies to determine if an acquisition, financing, restructuring, reorganization or any other transaction or arrangement is advisable.

## **Consulting and Equity Investments**

Cannalink's executive team and advisory board has considerable experience in advising companies in any stage of growth, both in the public and private sectors. It is anticipated that fees generated in this division will be in excess of \$1.5M in the first full operating year and grow to \$5M within three years. This revenue would not include potential equity stakes taken in specifically identified companies. It is likely that the ultimate value of these equity positions will be significantly higher than the fee generation, resulting in both enhanced revenue and a strong balance sheet for the Company going forward.

## **COMPETITION**

### **Cannalink's Blockbuster Potential**

The general cannabis market is still very fragmented and populated mainly by many small, poorly managed and underfunded companies. The few companies that stand out are the well-managed and financed companies that are focused on the less controversial and legal CBD market, in which CNLK is positioning itself in. The best known industrial hemp and medical marijuana companies are Medical Marijuana Inc., Hemp, Inc., GrowLife, Inc., CannaVest Inc. and Greengro Technologies.

In our opinion, not many of the smaller companies are likely to succeed, with even less of a chance for success under the heavy scrutiny of a public company. The cannabinoid market is a fast-growing niche sector of the much larger biopharmaceutical industry and companies competing in this market need professional, experienced management and sufficient financing to succeed. Extensive experience in the financial markets and strong legal guidance is required, if you are, or plan to become a public company in this industry.

CNLK is focused on this market segment because its vision is driven by the expected high therapeutic potential of cannabinoid products and CNLK's capacity to successfully compete in this fast growing new sector. Top pharmaceutical companies have already invested billions of research dollars in the space and SWI feels that CBD-based products hold potential blockbuster promise. Cannalink with its decade long experience in the MMJ sector and its solid Wall Street expertise has been formed to take advantage of this potential.

# RISK CONSIDERATIONS

## Forecasting Uncertainty and Risk

CNLK has designed and is implementing an evolving and complex business model in a quickly developing new market, which makes it somewhat more difficult to forecast future operating results and expenses reliably. Our analysis and valuation model relies heavily on information received from the company during personal meetings with management and staff, anecdotal experiences, third party studies, generally projected market acceptance, continuing legalization of the MMJ market, the availability of sufficient funds and the absence of other negative events not under the company's control. Addressing and executing all actions correctly and in a timely manner will create the basis for CNLK's success. These assumptions are the basis for the forward-looking estimates in this report, which may differ from the actual results that will be achieved.

From having met with CNLK's management several times, we anticipate that CNLK should be able to sufficiently fund its own business operations via cash flow from operations, as well as through private placements with a significant MMJ investor base, with whom the management team has longstanding relationships. We also believe that the Company will be able to sufficiently fund its potential acquisitions and the costs associated with planned strategic alliances. Based on the interaction with management and employees of CNLK, we assume that the Company should be able to meet those expectations and we project relatively fast and sufficient revenue growth and subsequent profitability over the next four (4) years.

## Litigation Volatility

The MMJ market is still rather unregulated and the existing laws and rules are often times open to interpretation and subject to change, especially when it comes to fees and taxation on both the State and Federal levels. While many states are moving towards legalization of medical and/or recreational marijuana, these factors create a high risk for companies operating solely in the MMJ sector, while presenting a relatively lower level of risk for companies operating in the legal CBD sector, where CNLK plans to focus its activities.

## Regulatory

There is a significant chance that the "rules of engagement" may change for MMJ and related operations and their business models, which may materially impact the ability to consistently generate revenues and profits. Although recent legislation on the State level creates new encouragement for institutional investors, certain remaining hurdles on the Federal level still need to be overcome. How quickly those hurdles can be removed will ultimately determine the growth curve and size of the overall MMJ market, as well as the impact in the CBD submarket.

## **Capital Requirements**

While CNLK believes that its existing cash, future cash flow from operations and the additional funds it intends to raise in the short term should cover its capital needs for the next 12 months, any change in the Company's capital requirements or capacity to raise required funds could materially impact performance. The Company has longstanding investment relationships and is intending to raise required funds at favorable valuations not only for CNLK, but also for other, carefully selected companies in the sector as part of its consulting and merchant banking services.

## **Competition**

Many small companies compete in this sector and at this juncture, there are no clearly dominating players. While a superficial examination seems to indicate that the Barriers to Entry are low, we believe that this applies only to the smaller companies operating solely in the unregulated MMJ sector. In the CBD sector, we believe that Barriers to Entry are, and will remain higher due to higher start-up costs caused by compliance with legal standards (industry and SEC), FDA regulations, manufacturing and quality control cost, required capital investment and other factors. To succeed as a significant player in the CBD sector, it requires a seasoned management team with demonstrated experience in business development, proven corporate financial expertise and strong relationships in the Financial Markets, providing access to required working capital.

## **Stock Liquidity and Price**

CNLK currently trades on the OTC Pink Sheets and is classified as a penny stock. CNLK has experienced only low trading volume so far and the current share price should not be considered an indication of the future share prices. At the recent price of \$2.00 the Company currently has a market cap of approximately \$46 million. Buying or selling stock in CNLK may be difficult at this time, and future liquidity will depend on the development of the Company and the general market environment.

CNLK is planning to begin the process of filing the required financial information to comply with the rules for 144 investment as soon as possible and up-list to the OTC Markets within the next ten (10) to fourteen (14) months.

## Capitalization Table (April 2015)

SYMBOL	CNLK
EXCHANGE	OTC PINK
CURRENT PRICE	\$2.00
52 WEEK RANGE	\$1.06 - 6.00
AVERAGE VOLUME	566
SHARES AUTHORIZED	100 MILL
SHARES OUTSTANDING	12 MILL
MARKET CAP	\$24 MILL
FLOAT	3 MILL

## SUMMARY

The MMJ market is a relatively unregulated and fast-growing industry with many small companies competing. While there are multiple competitors, many of them have inexperienced management and are underfunded and will likely not succeed or survive.

CNLK has an experienced management team with extensive expertise in the MMJ industry and longstanding relationships in the Financial Markets. This should allow the Company to develop and fund its operations sufficiently in a timely manner and successfully navigate the complicated scenarios of the still forming laws, rules and regulations. We expect CNLK to establish itself as a significant force in this new emerging economy and grow revenues, profits and share value as per its four-year business plan to the satisfaction of its shareholders.

CNLK plans to develop cutting-edge sublingual CBD products and utilize an existing, and easily expandable, distribution platform of health care practitioners for its product roll-out. The Company will also generate consulting and investment advisory fees by providing much-needed guidance and management sophistication to other companies in the budding MMJ industry. At the same time, CNLK will cherry-pick opportunities for investment, acquisition and/or joint venture from those deals that it finds most attractive and promising and will pass its strict due diligence criteria.

This multi-pronged business approach, executed by an experienced management team, presents the potential to generate significant revenue at high gross profit margins and ongoing growth of share value for CNLK shareholders.

## Cannalink Profit Opportunity

		
<p><b>Superior Management Expertise in the MMJ Industry High Quality CBD Products</b></p> <p>.....</p>	<p><b>Experienced Financial Management Team Value Creation through development of Strategic Alliances and Acquisitions</b></p> <p>.....</p>	<p><b>Consulting and Advisory Services for emerging Companies Strategic Investments</b></p> <p>.....</p>

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