

**THE FIRST NATIONAL
VERTICALLY INTEGRATED
CANNABIS FRANCHISE
COMPANY**



Keep
Cannabis
Local.

MARCH 2023
OTCQX: INLB

FORWARD-LOOKING STATEMENTS

THIS PRESENTATION (THE "PRESENTATION") HAS BEEN PREPARED SOLELY FOR INFORMATIONAL PURPOSES BY ITEM 9 LABS CORP. ("COMPANY") AND IS BEING FURNISHED SOLELY FOR USE BY PROSPECTIVE INVESTORS AND OTHER THIRD PARTIES IN CONNECTION WITH THEIR CONSIDERATION OF AN INVESTMENT IN THE COMPANY. THIS PRESENTATION IS NOT, AND SHOULD NOT BE ASSUMED TO BE, COMPLETE. THIS PRESENTATION HAS BEEN PREPARED TO ASSIST INTERESTED PARTIES IN MAKING THEIR OWN EVALUATION OF THE COMPANY AND DOES NOT PURPORT TO CONTAIN ALL OF THE INFORMATION THAT MAY BE RELEVANT. IN ALL CASES, INTERESTED PARTIES SHOULD CONDUCT THEIR OWN INVESTIGATION AND ANALYSIS OF THE COMPANY AND THE DATA SET FORTH IN THIS PRESENTATION AND OTHER INFORMATION PROVIDED BY OR ON BEHALF OF THE COMPANY. ANY VIEWS AND OPINIONS EXPRESSED IN THIS PRESENTATION ARE THOSE OF THE COMPANY AND DO NOT NECESSARILY REPRESENT FACTS. IN ADDITION, CERTAIN OF THE INFORMATION CONTAINED HEREIN MAY BE DERIVED FROM INFORMATION PROVIDED BY INDUSTRY SOURCES. THE COMPANY BELIEVES THAT SUCH INFORMATION IS ACCURATE AND THAT THE SOURCES FROM WHICH IT HAS BEEN OBTAINED ARE RELIABLE. THE COMPANY CANNOT GUARANTEE THE ACCURACY OF SUCH INFORMATION, HOWEVER, AND HAS NOT INDEPENDENTLY VERIFIED SUCH INFORMATION. THE INFORMATION PRESENTED HEREIN REMAINS SUBJECT TO CHANGE. STATEMENTS IN THIS PRESENTATION ARE MADE AS OF THE DATE OF THIS PRESENTATION UNLESS STATED OTHERWISE.

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CERTAIN INFORMATION SET FORTH IN THIS PRESENTATION CONTAINS "FORWARD-LOOKING INFORMATION", INCLUDING "FUTURE ORIENTED FINANCIAL INFORMATION" AND "FINANCIAL OUTLOOK", UNDER APPLICABLE SECURITIES LAWS (COLLECTIVELY REFERRED TO HEREIN AS FORWARDLOOKING STATEMENTS). EXCEPT FOR STATEMENTS OF HISTORICAL FACT, INFORMATION CONTAINED HEREIN CONSTITUTES FORWARD-LOOKING STATEMENTS AND INCLUDES, BUT IS NOT LIMITED TO, THE (I) PROJECTED FINANCIAL PERFORMANCE OF THE COMPANY; (II) COMPLETION OF, AND THE USE OF PROCEEDS FROM, THE SALE OF THE SHARES BEING OFFERED HEREUNDER; (III) THE EXPECTED DEVELOPMENT OF THE COMPANY'S BUSINESS, PROJECTS AND JOINT VENTURES; (IV) EXECUTION OF THE COMPANY'S VISION AND GROWTH STRATEGY, INCLUDING WITH RESPECT TO FUTURE M&A ACTIVITY AND GLOBAL GROWTH; (V) SOURCES AND AVAILABILITY OF THIRD-PARTY FINANCING FOR THE COMPANY'S PROJECTS; (VI) COMPLETION OF THE COMPANY'S PROJECTS THAT ARE CURRENTLY UNDERWAY, IN DEVELOPMENT OR OTHERWISE UNDER CONSIDERATION; (VII) RENEWAL OF THE COMPANY'S CURRENT CUSTOMER, SUPPLIER AND OTHER MATERIAL AGREEMENTS; AND (VIII) FUTURE LIQUIDITY, WORKING CAPITAL, AND CAPITAL REQUIREMENTS. FORWARD-LOOKING STATEMENTS ARE PROVIDED TO ALLOW POTENTIAL INVESTORS THE OPPORTUNITY TO UNDERSTAND MANAGEMENT'S BELIEFS AND OPINIONS IN RESPECT OF THE FUTURE SO THAT THEY MAY USE SUCH BELIEFS AND OPINIONS AS ONE FACTOR IN EVALUATING AN INVESTMENT.

THESE STATEMENTS ARE NOT GUARANTEES OF FUTURE PERFORMANCE AND UNDUE RELIANCE SHOULD NOT BE PLACED ON THEM. SUCH FORWARD-LOOKING STATEMENTS NECESSARILY INVOLVE KNOWN AND UNKNOWN RISKS AND UNCERTAINTIES, WHICH MAY CAUSE ACTUAL PERFORMANCE AND FINANCIAL RESULTS IN FUTURE PERIODS TO DIFFER MATERIALLY FROM ANY PROJECTIONS OF FUTURE PERFORMANCE OR RESULT EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS.

ALTHOUGH FORWARD-LOOKING STATEMENTS CONTAINED IN THIS PRESENTATION ARE BASED UPON WHAT MANAGEMENT OF THE COMPANY BELIEVES ARE REASONABLE ASSUMPTIONS, THERE CAN BE NO ASSURANCE THAT FORWARD-LOOKING STATEMENTS WILL PROVE TO BE ACCURATE, AS ACTUAL RESULTS AND FUTURE EVENTS COULD DIFFER MATERIALLY FROM THOSE ANTICIPATED IN SUCH STATEMENTS. THE COMPANY UNDERTAKES NO OBLIGATION TO UPDATE FORWARD-LOOKING STATEMENTS IF CIRCUMSTANCES OR MANAGEMENT'S ESTIMATES OR OPINIONS SHOULD CHANGE EXCEPT AS REQUIRED BY APPLICABLE SECURITIES LAWS. THE READER IS CAUTIONED NOT TO PLACE UNDUE RELIANCE ON FORWARD-LOOKING STATEMENTS.

[ITEM 9 LABS] CORPORATION AT A GLANCE



Founded in 2017 in Phoenix, Arizona



3 Million+ Packaged Goods Sold of Item 9 Labs Products, a Top 10 Brand in the Arizona Market that is Available in 65% of the State's Dispensaries



Executive Team has Combined 20+ Years in Both Cannabis and Franchising



Revenue Flat at \$22 Million



50 Acres of Approved Expansion for Cultivation and Production, Resulting in Up to 640,000 Square Feet of Operations in Arizona



4 Stores Open with 20+ Entrepreneurial Groups Developing Franchise Across 10+ States



30% YOY Increase in Units Sold in January 2023, compared to January 2022



Closed Acquisition of National Dispensary Franchise, Unity Rd.



Fulfilled Financial Conditions related to Acquisition of Sessions Cannabis in Canada, which Would Add Approximately CA\$80 Million in Annual Systemwide Sales With 45-Plus Stores Currently Open

KEY INVESTMENT HIGHLIGHTS

WHY TO INVEST IN ITEM 9 LABS CORP.

- Blending a true dispensary franchise model with a premium experiential cannabis product brand puts Item 9 Labs Corp. in a unique industry position with compelling economics comprised of six recurring revenue streams.
- The Company generates up to \$2 million in revenue per month through Item 9 Labs' product sales with its 20,000 sq. ft. Arizona cultivation and production facility, which is currently being expanded to 85,000 sq. ft.
- The veteran management team combines a diverse skill set with deep experience in the cannabis sector, franchising and the capital markets. Chief Executive Officer, Mike Weinberger, previously led Maui Wowi, a smoothie and coffee franchise, to 500-plus franchise units worldwide for eight years.

STOCK & FINANCIAL ANALYSIS

- Ticker: **OTCQX: INLB**
- Shares Issued and Outstanding (March 1, 2023): 100.79 Million
- Current Price (March 1, 2023): \$0.16
- Market Cap: 16.13 Million
- 52-Week High / Low: \$0.040 - \$1.50
- Average Daily Volume: 29,062

CURRENT U.S. CANNABIS LANDSCAPE

- The sale of cannabis is legal in 39 states and the District of Columbia - that is more than 75% of the population.
- Across legal markets, 43% of adults report that they consume cannabis, and another 13% are open to trying it.
- Mature U.S. markets such as California, Oregon and Colorado continue to rapidly increase revenues, while newly legalized states and territories like Illinois, Massachusetts and Michigan are increasing sales exponentially.
- 77% of the U.S. population reside in a state with U.S. adults actively supporting cannabis legalization.
- More states have continued their push towards legalized cannabis, with Connecticut, Delaware, Maryland, Missouri, New Mexico, New York and Rhode Island being the latest to join the ranks this past year.

THE BUDDING MARKET OPPORTUNITY

- Across the current legalized cannabis markets in U.S. the industry will exceed \$46 billion by 2026.
- The BDSA forecasts legal U.S. sales to exceed \$30 billion in 2023, growing in the range of 10%.
- The cannabis industry is expected to create a \$100 billion influx to the American economy in 2022, while this number is projected to rise to \$155 billion by 2026.
- 91% of American adults are for some form of cannabis legalization (where 60% support both recreational and medical, while 31% only for medical). Only 8% of the U.S. adult population is completely against cannabis being legal.
- Since 2022, 77% of Americans live in a state where either medicinal or recreational cannabis is legal.
- Several Northeast states are expected to legalize adult-use cannabis sales in 2023 and others in the U.S. are poised to follow. With the Northeast representing 17% of the U.S. population, legalization in the region will be a significant growth driver for cannabis industry.

UnityRd

CANNABIS SHOP

**THE FIRST NATIONAL
VERTICALLY INTEGRATED
CANNABIS DISPENSARY
FRANCHISE IN THE U.S.**

Colorado
Group

Backcountry

ITEM 9 LABS CORP. HEADQUARTERS & CURRENT CULTIVATION & PRODUCTION

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**ITEM 9 LABS CORP.
HEADQUARTERS
& CURRENT CULTIVATION
& PRODUCTION**
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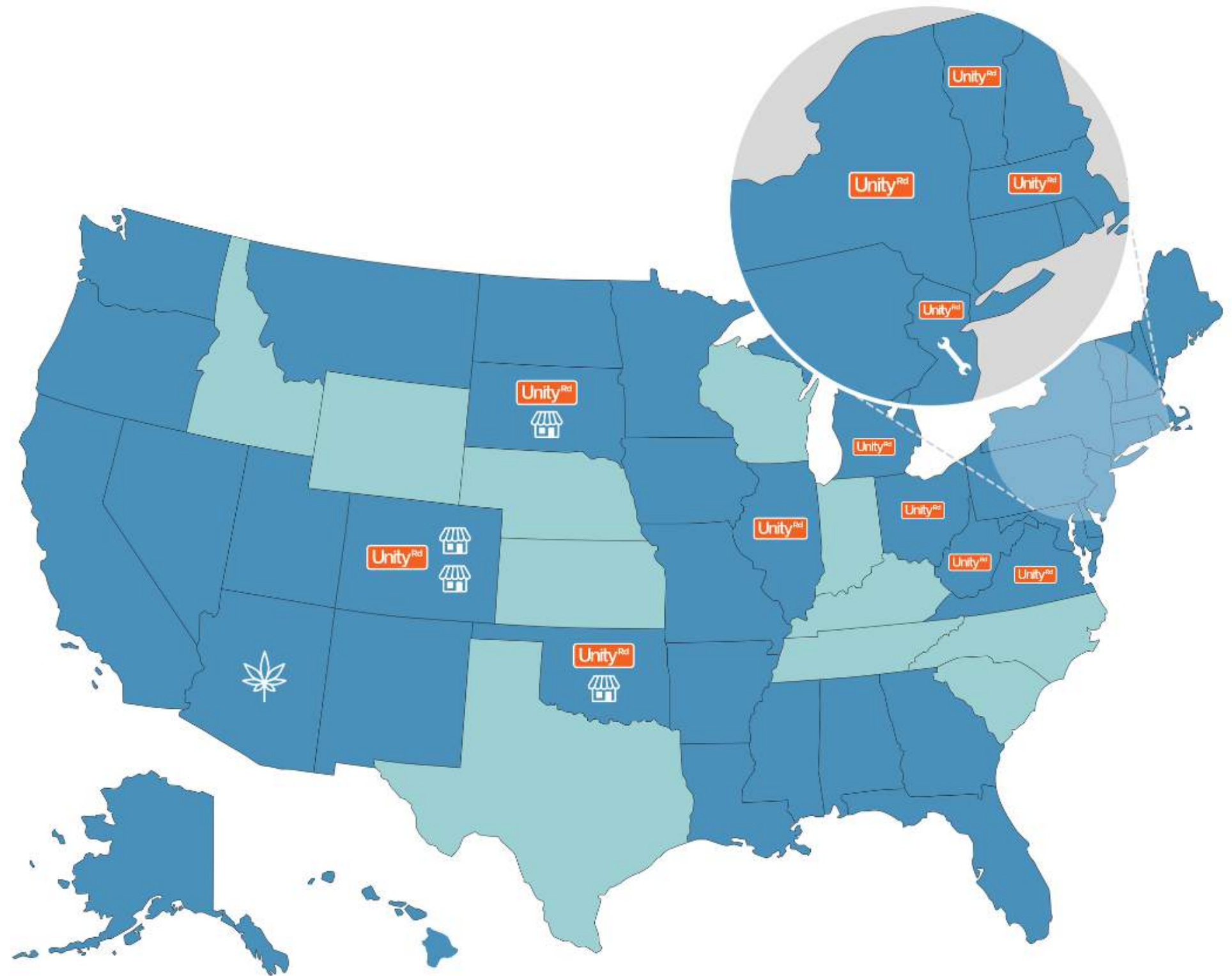
**DISPENSARY
OPEN**
- 

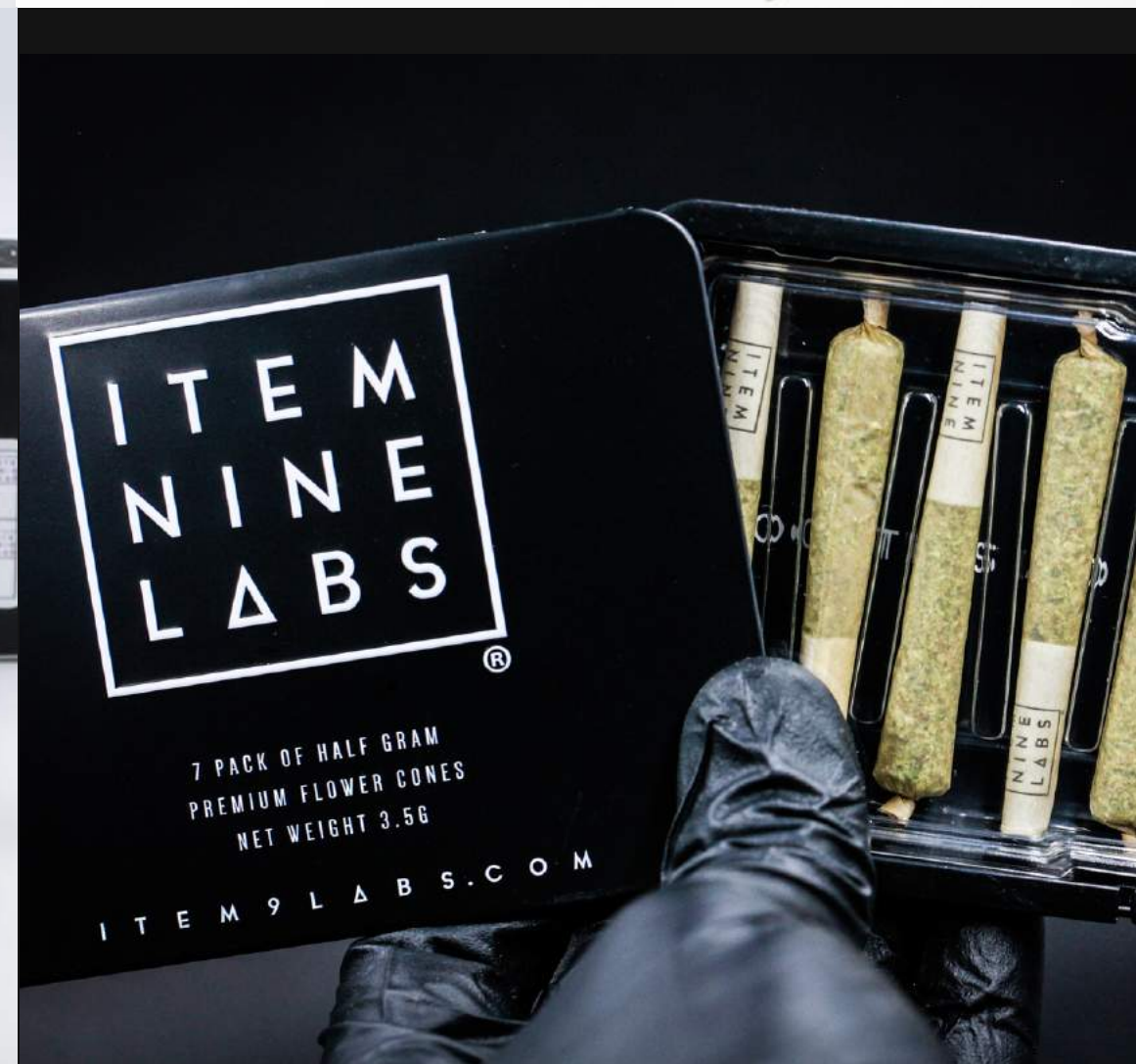
**CANNABIS LEGALIZED
(MEDICAL AND/OR ADULT-USE)**
- 

**CANNABIS NOT
YET LEGALIZED**
- 

**AGREEMENT
SIGNED**
- 

**PRE-OPENING
CONSTRUCTION**





**THE FUTURE OF
CANNABIS IS FRANCHISING**

UnityRd

NATIONAL FRANCHISE OPPORTUNITIES

THE \$28 BILLION CANNABIS INDUSTRY NEEDS FRANCHISING

CANNABIS



FITNESS



FOOD



RETAIL



WELLNESS



THE ECONOMICS OF FRANCHISING

REVENUE AT SIGNIFICANT MARGIN THROUGHOUT LIFECYCLE OF FRANCHISE BUSINESS

INITIAL REVENUE

Franchise Fee 

Launch Fee 

Marketing Fee 

MONTHLY RECURRING FRANCHISE REVENUE

Royalty Fee 

Marketing Fee 

Technology Fee 

MONTHLY RECURRING PRODUCT REVENUE

Owned Product Shelf Space 

Slotting Fees 

Financing Revenue 

SESSIONS CANNABIS



- Transformative Acquisition Fast-Tracks Retail Entry into the Canadian Market
- Generates Approximately CA\$80 Million in Annual Systemwide Sales With 45 Stores Currently Open
- Transitions Company from Being a Multi-State Operator to an International Cannabis Company and Largest Global Cannabis Franchisor



**MIKE WEINBERGER,
CHIEF EXECUTIVE OFFICER**

- Guides the strategic direction of the Company
- Main point of contact for the Board of Directors, executive team and operations



**CHRIS WOLVEN,
CHIEF OPERATING OFFICER**

- Ensures the proper operational controls, administrative and reporting procedures, people and systems are in place to effectively scale
- Solidifies financial strength and operating efficiency



**BOBBY MIKKELSEN,
CHIEF FINANCIAL OFFICER**

- Manages every financial aspect of the Company
- Guides reporting, planning and evaluating financial strengths and weaknesses
- Proposes corrective actions from the financial perspective



**MIKE KESKEY,
CHIEF LEGAL OFFICER**

- Leads the legal team and human resources department
- Oversees all legal and regulatory matters as well as all M&A activity
- Ensures the Company is always protected as well as its brands



**DOUG BOWDEN,
CHAIRMAN OF THE BOARD**

- Three decades of consumer electronic industry experience
- Chairman of Bowden Investment Group
- Extensive background in real estate investment and development, software and health and wellness solutions



**JEFFREY RASSAS,
DIRECTOR**

- 20+ year veteran of entrepreneurial ventures and business management
- Extensive experience in funding, leading, developing and performing corporate turnarounds for private and public start-up ventures, across a variety of industries



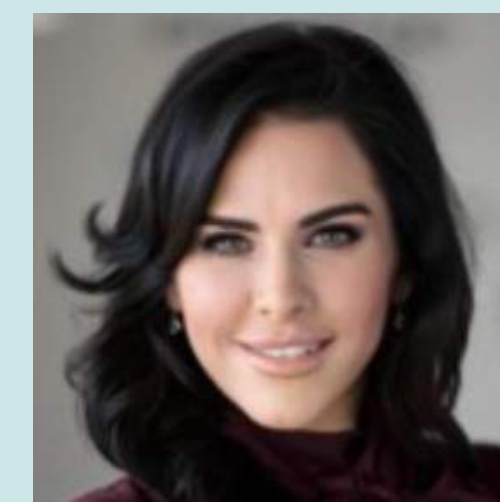
**ERIC C. KUTSCHER, PHARM.
D., M.B.A., F.A.S.H.P.,
INDEPENDENT DIRECTOR**

- Thought leader in the delivery of patient-centered healthcare, research and academia
- Has worked with well-known companies including SpotRx/MedAvail, MeMD, UAMC, TribalEM/Tribal Health and Walgreens
- Currently the Senior Director for Clinical Operations and Pharmacy Services for Arizona Oncology Associates



**LAWRENCE X. TAYLOR,
INDEPENDENT DIRECTOR**

- C-level executive, advisor, and board member with more than 30 years of business experience
- Has guided organizations through complex restructurings, acquisitions, corporate development activities and capital transactions totaling more than \$15 billion



**SHANE EVANS,
INDEPENDENT DIRECTOR**

- Heavily involved in the health, wellness and franchising sectors for more than two decades
- Co-founded Massage Heights in 2004 and began franchising the concept in 2005
- Spa franchise grew to more than 120 retreats throughout North America under her leadership
- Continues to support Massage Heights as Vice Chairwoman on the Board of Directors

COLLECTIVE INDUSTRY SUCCESS

OUR TEAM'S ROBUST ACHIEVEMENTS

300+

Franchise units
sold in more
than 15
countries

100+

Concepts
supported for
franchise
development

50+

Cannabis &
franchise
industry awards
won

17

States where
cannabis
licenses were
won

11

States,
commonwealths
and provinces
operated
cultivation sites



Expanding Footprint into
Canada with Acquisition of
Sessions Cannabis -- Adding
45+ Stores



Robust Pipeline of 20+ Local
Entrepreneurs Developing Franchise
Across 10+ States



Introduce Item 9 Labs' Award-
Winning Cannabis Products in
New Markets with Unity Rd.



Expanding Master Cultivation Site
in Arizona to 85,000 sq. ft.

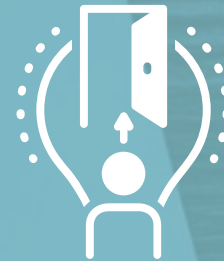
[ITEM 9 LABS] CORPORATION

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M&A OPPORTUNITIES

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LEARN MORE AT
ITEM9LABSCORP.COM

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