

KEYSTONE'S

Small-Cap Stock Report

NOVEMBER 2019

Independent Equity Advisors

Editor: Ryan Irvine, BBA (Finance)

Senior Analyst: Aaron Dunn, CFA

Discovery Portfolio	Trulieve Cannabis Corp.
	Price: \$16.00
	Symbol: TRUL: CSE
	Near Term: ▲ SPEC BUY
	Long Term: ▲ SPEC BUY

Summary

Trulieve Cannabis Corp., together with its subsidiaries, operates as a medical marijuana company. The company is a vertically integrated "seed-to-sale" business and is the first and largest fully licensed medical cannabis company in the State of Florida with a current market share estimated at 55%. Trulieve cultivates and produces products in-house and distributes its products to Trulieve branded stores (dispensaries) in Florida, as well as directly to patients through home delivery. It produces approximately 260 stock keeping (SKU) units, including smokable flowers, flower pods for vaporizing, concentrates, topicals, capsules, tinctures, and vape cartridges. At present, the company operates 40 stores in Florida. Trulieve is headquartered in Quincy, Florida. The company also operates in California, Massachusetts and Connecticut.

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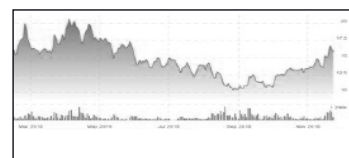
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Trulieve Cannabis Corp.**Current Price (November 27, 2019): \$16.00****(TRUL:CSE)****RECOMMENDATION: SPEC BUY**

Shares Outstanding.....110,213,649

Fully Diluted Shares Outstanding.....110,213,649

**SELECTED QUARTERLY DATA (\$US)**

Income Statement	Q3 2019	Q3 2018
Revenues	\$70,730,359	\$28,325,604
Net Earnings	\$7,181,319	\$7,170,822
EPS	\$0.07	\$0.07
Fully Dilluted EPS	\$0.07	\$0.07
EBITDA	\$26,050,911	\$11,941,998
EBITDA/Share	\$0.24	\$0.11
Balance Sheet	30-Sep-19	31-Dec-18
Current Assets	\$242,334,191	\$80,790,460
Total Assets	\$442,153,119	\$162,072,581
Current Liabilities	\$49,053,339	\$34,714,428
Net Debt (Cash)	\$95,853,964	\$(17,478,062)
Total Liabilities	\$205,326,390	\$57,853,450
Book Value	\$236,826,729	\$104,219,131
EV	\$1,409,325,126	\$1,462,772,938

SELECTED ANNUAL DATA (\$US)

Income Statement	2018	2017
Revenues	\$102,816,631	\$19,778,344
Net Earnings	\$13,416,258	\$(1,842,109)
EPS	\$0.12	\$(0.02)
Fully Dilluted EPS	\$0.12	\$(0.02)
FCF	\$(27,998,503)	\$(5,722,405)
FCF/Share	\$(0.25)	\$(0.05)
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Working Capital	\$46,076,032	\$6,027,736
Long-Term Debt	\$(17,478,062)	\$4,552,941
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ROE	13%	-17%

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EXPANDED OPERATIONAL SUMMARY**BUSINESS HIGHLIGHTS**

The leading medical cannabis company in Florida Vertically integrated “seed-to-sale” operations.

Dedicated and growing Florida consumer base of 226,500+Trulieve customers.

A weekly average of 2,800 new patients in Florida and recent acquisitions in Massachusetts, California & Connecticut.

Trulieve US operates over 1,684,408 square feet of cultivation facilities across five sites capable of growing 63,190 kg of cannabis annually.

Track record of profitable growth.

Trulieve is a multi-state cannabis operator which currently operates under licenses in four states. Headquartered in Quincy, Florida, the company is focused on being the brand leader for quality medical and recreational cannabis products and service in all markets it serves.

Trulieve has five material subsidiaries, being Trulieve US, Leef Industries, Life Essence, Trulieve Holdings, and Healing Corner. Trulieve US, Life Essence, Trulieve Holdings and Healing Corner are wholly-owned

RATINGS**VALUE (TRAILING)**

EPS	\$0.14
P/E	84.09
PEG Ratio	7.15
P/S	6.28
P/EBITDA	15.77
EV/EBITDA	16.92
P/B	5.55

GROWTH

Revenues	159%
FCF	n/m
EPS	12%

RISK/LIQUIDITY

Net Debt/Equity	0.40
Current Ratio	4.94

Trulieve Cannabis Corp.

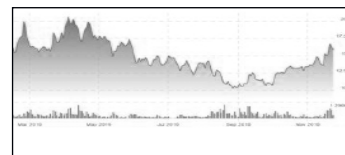
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(directly or indirectly) by Trulieve. Trulieve currently holds 99% of the issued and outstanding membership interests in Leef Industries and is proposing to acquire the balance of the issued and outstanding membership interests upon receipt of final regulatory approval from the State of California.

Florida

Trulieve US is a vertically integrated “seed to sale” cannabis company and is the first and largest fully licensed medical marijuana company in the State of Florida with a current market share estimated at 55%. Trulieve US cultivates and produces all its products in-house and distributes those products to Trulieve branded stores (dispensaries) throughout the State of Florida, as well as directly to patients via home delivery. The company currently operates 40 stores in Florida and has a target of 44 stores by the end of 2019.

39 expanding to 44 dispensaries



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As of October 31, 2019, the company operated over 1,684,408 square feet of cultivation facilities across five sites. In accordance with Florida law, Trulieve US grows in enclosed structures operating both indoor and greenhouse style grows. Trulieve US had the ability to grow 63,190 kg of cannabis annually.

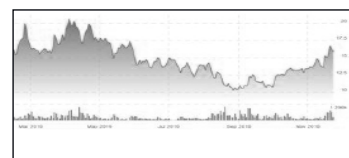
Trulieve US operates a Good Manufacturing Practices (GMP) certified processing facility, encompassing an estimated 55,000 square feet. As of September 30, 2019, Trulieve US currently produces roughly 260 different stock keeping units (SKUs), including smokable flower, flower pods for vaporizing, concentrates, topicals, nasal sprays capsules, tinctures, and vape cartridges.

As of September 30, 2019, Trulieve US has completed more than 2,100,000 unique orders both in-store and via home delivery. Trulieve distributes its products to these customers in Trulieve branded retail stores or home delivery. As of October 31, 2019, Trulieve US currently operated 38 stores, encompassing 102,889 square feet of retail space, throughout the State of Florida and serves over 5,700 in-store patients

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daily. Trulieve US initiated Florida's first next-day, state-wide delivery program and, as of October 31, 2019, operates a 99-vehicle delivery-service fleet. E-commerce is anticipated to contribute at least 20% of Trulieve US's revenue in 2019. Patients are further served by a Clearwater-based call center, which receives an average of over 4,200 calls per day. As of October 31, 2019, Trulieve US has an active Florida consumer base of over 226,500, who average approximately two visits per month.

ACQUISITIONS & GEOGRAPIC EXPANSION

While Trulieve's core Florida market continues to have significant growth in the medical marijuana market and if the adult use recreational market opens through legalization, the long-term growth path is likely via replication of its Florida success in new markets (states). While Trulieve may not have the "first mover" advantage in all new markets, the company has a relatively proven and disciplined strategy that has produced profitable results in one market. This does not guarantee success in new markets, but combining the solid track record in a difficult industry with a solid balance sheet and growing current cash flow and Trulieve appears a better bet than most to drive profitable growth via geographic expansion.

Massachusetts

Massachusetts is a vertically integrated state which currently has issued 37 licenses and over

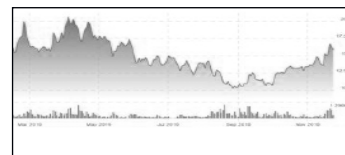
59,000 registered medical patients. According to the Massachusetts State website, total 2018 revenues for cannabis sales were \$380 million split \$165 million for medical sales and \$215 million for adult-use sales. The National Cannabis Industry Association expects cannabis sales to reach a total of over \$1.2 billion by 2022. We see the associations target as aggressive, but there is certainly room for very strong growth. According to the German-based stats portal Statista, Massachusetts is expected to have 6.7% of the entire US legal cannabis market by 2021.

On December 13, 2018, Trulieve acquired all the issued and outstanding shares of Life Essence. Life Essence is currently in the permitting and development phase for multiple adult-use and medical cannabis retail locations, as well as a cultivation and product manufacturing facility in Massachusetts. Life Essence has been awarded Provisional Certificates of Registration from the Massachusetts Department of Health to operate medical marijuana dispensaries in the cities of Cambridge, Holyoke, and Northampton, Massachusetts, as well as a 140,000 square-foot medical marijuana cultivation and processing facility. Life Essence has also been awarded letters of support from these cities. Subject to receipt of Final Certificates of Registration and local permitting, these initiatives will allow Life Essence to build out its infrastructure and engage in medical cannabis cultivation, processing and retailing in Massachusetts. Additionally, Life Essence has executed statutorily required Host Community Agreements with the City of Holyoke that, subject to receipt of other state and local approvals, authorizes Life Essence to cultivate and process adult use cannabis, and with the City of Northampton that, subject to receipt of other state and local approvals, authorizes Life Essence to operate a retail marijuana establishment.

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Life Essence is applying for licenses to build and operate:

- 3 medical registered marijuana dispensaries - target opening in 2020.
- 3 recreational marijuana licenses.
- 140,000 square foot cultivation and processing facility.

California

Total 2018 revenues for cannabis sales in California was \$294 million for medical sales and \$3.1 billion for adult-use sales. Total cannabis sales expected to reach over \$7.7 billion by 2022, according to NCIA.

On November 30, 2018, Trulieve acquired 80% of the issued and outstanding membership interests of Leef Industries. Leef Industries operates a licensed medical and adult-use cannabis dispensary located in Palm Springs, California. Trulieve believes Leef Industries has demonstrated encouraging growth in the market, offering in-store and online shopping, along with product home delivery. Subsequent to its initial 80% purchase interest, Trulieve acquired an additional 19% interest in Leef industries. Trulieve anticipates acquiring the remaining 1% interest in Leef industries during Q3 2019, subject to regulatory approval from applicable state and local authorities in California.

Leef Industries – licensed medical and adult-use cannabis dispensary Palm Springs;

- Operates 1 dispensary which opened in May, 2018 and has over 200 SKUs.
- Growing monthly revenues, expect >\$1.2 million in 2019 revenues.

Connecticut

Total 2018 revenues for cannabis sales in Connecticut was \$77 million. According to NCIA, total cannabis sales expected to reach over \$202 million by 2022.

On May 21, 2019, Trulieve acquired 100% of the equity of Healing Corner. Healing Corner is a licensed medical cannabis dispensary located in Bristol, Connecticut. Healing Corner was founded in 2014 and provides a range of medical marijuana products from its dispensary in Bristol, Connecticut. Patients may also reserve their medical marijuana order through Healing Corner's Canna-Fill online system. Healing Corner scored highest of all applicants on the first Request for Application for licensing and serves approximately 15.4% of Connecticut's medical marijuana patient population.

The Healing Corner – licensed medical dispensary in Bristol;

- Opened in 2014 and has over 250 SKUs.
- Serves 16% of Connecticut medical patient population.
- Growing monthly revenues, expect >\$9 million in 2019 revenues.

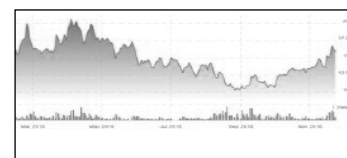
STRATEGIC OVERVIEW

Trulieve is a successful cannabis company working in highly-regulated markets re-

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quiring expertise in cultivation, processing, retail, and distribution activities. Trulieve has developed proficiencies in each of these functions and is committed to utilizing predictive analytics which inform Trulieve of sales trends, patient demographics, new product launch criteria and capacity requirements. This is the foundation upon which Trulieve has built sustainable, profitable growth.

In states that require cannabis companies to be vertically integrated such as Florida, ownership of the entire supply chain mitigates potential third-party risks and allows Trulieve to completely control the quality of the product and the brand experience. This results in high patient retention and repeat customers. Trulieve successfully operates at scale the core business functions of cultivation, production and distribution. The Trulieve brand philosophy of "Patients First" permeates the Trulieve culture beginning with cultivation to production, distribution to Trulieve stores and continued customer services through the corporation's in-house call center.

Data Utilization to create Predictive Analytics

Trulieve collects and analyzes data throughout the entire seed to sale process of the enterprise. All strategic and tactical business decisions are driven by historical data coupled with predictive analytics to ensure the best possible solution is formulated and executed. Data collection systems are based on a state-of-the-art SAP platform, which is cloud based and backed up to ensure the utmost security and integrity of data repositories.

In the company's cultivation activities, Trulieve uses data analytics to predict future yields and planning of future crop rotations to meet patient demands. The predictive analysis ensures Trulieve operates in an efficient manner to maximize the harvest output to cost ratio.

Trulieve also uses data analytics throughout the entire manufacturing process to monitor progress real-time, ensure quality is maintained at the highest level and analyzed to maximize lean flow efficiency. Consistency is paramount to Trulieve and tracking of the recorded data guarantees uniformity for all products shipped.

Once the company's products are in Trulieve stores, each sales transaction is recorded. The reports derived from the recorded information allows Trulieve to track and analyze, by retail location, sales trends, grams dispensed, and products sold by subcategory. Trulieve uses this data for regression and predictive analysis, for cultivation crop planning, final derivative product production planning and patient marketing. The data is also key in planning future cultivation, processing and retail expansion.

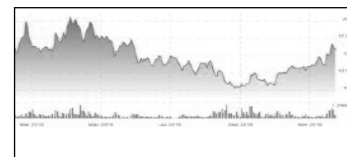
High-Yield Cultivation Facilities and Techniques

The company transforms raw cannabis flower into the Trulieve portfolio of products sold in Trulieve stores. With a focus on scalable operations, Trulieve has detailed Standard Operating Procedures as well as robust training protocols across its cultivation facilities to grow a consistent, quality product.

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The ability to quickly execute and operate high-yield, scaled cultivation operations is critical in Florida as well as other vertical markets. Trulieve grows a variety of 69 cannabis flower strains and is poised for expansion to meet demand for smokable cannabis flower in Florida.

Scaled, Quality Production

As a vertically-integrated company in Florida, Trulieve US produces 100% of all products sold in Florida stores. As of July 2019, Trulieve extracts an average of 70,000 grams of active THC or CBD per week (depending on the product requirements) and manufactures on average 150,000 products for sale each week. Trulieve has successfully obtained Good Manufacturing Practices (GMP) certification for its Florida production facilities and has detailed Standard Operating Procedures and Quality Control measures in place to ensure quality products are delivered to Trulieve's patients.

Trulieve primarily utilizes super critical ethanol extraction systems and techniques for the majority of its products in Florida. Trulieve also utilizes carbon dioxide extraction for both terpene extraction as well as a line of CO2 vaporizer products. The company has a 55,000 square foot building that houses Trulieve's production and shipping activities, which also has a state-of-the-art kitchen for edible cannabis products and a hydrocarbon extraction facility in anticipation of the legal sale of edible and hydrocarbon cannabis products under Florida law.

Trulieve manufactures, assembles, packages and ships products in a variety of market segments with over 260 SKUs.

Marketing and Community Outreach

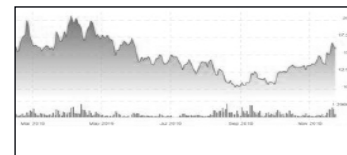
Trulieve's marketing strategies center around education and outreach to three main customer categories: physicians, patients and potential patients.

Trulieve provides industry leading education, outreach and support to all registered Florida medical cannabis physicians. The corporation's educational materials are designed to help physicians understand the science behind cannabis, the high standards to which Trulieve plants are cultivated and that the corporation's products are created to provide relief to their patients. Trulieve's dedicated physician education

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**SELECTED QUARTERLY DATA (\$US)**

Income Statement	Q3 2019	Q3 2018
Revenues	\$70,730,359	\$28,325,604
Net Earnings	\$7,181,319	\$7,170,822
EPS	\$0.07	\$0.07
Fully Dilluted EPS	\$0.07	\$0.07
EBITDA	\$26,050,911	\$11,941,998
EBITDA/Share	\$0.24	\$0.11
Balance Sheet	30-Sep-19	31-Dec-18
Current Assets	\$242,334,191	\$80,790,460
Total Assets	\$442,153,119	\$162,072,581
Current Liabilities	\$49,053,339	\$34,714,428
Net Debt (Cash)	\$95,853,964	\$(17,478,062)
Total Liabilities	\$205,326,390	\$57,853,450
Book Value	\$236,826,729	\$104,219,131
EV	\$1,409,325,126	\$1,462,772,938

SELECTED ANNUAL DATA (\$US)

Income Statement	2018	2017
Revenues	\$102,816,631	\$19,778,344
Net Earnings	\$13,416,258	\$(1,842,109)
EPS	\$0.12	\$(0.02)
Fully Dilluted EPS	\$0.12	\$(0.02)
FCF	\$(27,998,503)	\$(5,722,405)
FCF/Share	\$(0.25)	\$(0.05)
EBITDA	\$45,572,882	\$736,339
EBITDA/Share	\$0.41	\$0.01
Balance Sheet	31-Dec-18	31-Dec-17
Total Assets	\$162,072,581	\$33,869,864
Total Liabilities	\$57,853,450	\$22,748,010
Working Capital	\$46,076,032	\$6,027,736
Long-Term Debt	\$(17,478,062)	\$4,552,941
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team delivers in-person outreach as well as immediate phone support through a dedicated physician education team member within the Trulieve call center.

Patients learn about Trulieve through the success of the corporation's physician education program as well as many patient-centric community activities. Trulieve participates in dozens of patient outreach and community events on a monthly basis. An engaged patient audience is captured through the corporation's digital content marketing. Trulieve engages with its consumer base via multiple social media platforms. Trulieve has 77,755 followers on Facebook, 28,600 followers on Instagram, and 8,263 followers on Twitter. 153,704 of Trulieve's customers had opted-in to receive emails from the company, and 47,981 of Trulieve's customers had opted-in to receive texts from the company.

Trulieve also attends many events focused on educating non-patients who may benefit such as veterans, seniors, condition specific organizations and general health and wellness events. Search engine optimization of the company's website also captures potential patients researching the benefits of medical marijuana.

Patient Focused Experiences

It is Trulieve's goal to create raving fans who are loyal to the Trulieve brand and in return to provide these patients a superior level of customer service and product selection. Trulieve accomplishes this goal through several key strategies:

Branded Store Experiences

The patient experience continues through Trulieve dispensaries with a consistent atmosphere in every store. Brand and development guidelines have been implemented to ensure each store utilizes the same design, color scheme and layout to provide a comfortable, welcoming environment across each location.

Brand Strategy

The foundational tier of the Trulieve brand strategy is continuing to make top quality Trulieve branded products. The Trulieve house brand is already established in Florida as synonymous with quality and consistency. In addition, the corporation is partnering with strategic brands that will be featured in Trulieve locations. To date, Trulieve has announced partnerships with Bhang, Binske, Loves Oven, SLANG and Blue River. Each of these companies are customer-favorites with a unique value proposition and market penetration strategy.

The third tier of the Trulieve brand strategy consists of local partnerships. Trulieve's first local partnership was Sunshine Cannabis, a Florida based company whose focus has been on bringing back unique Florida-based cannabis strains such as "Sunshine Kush" and "Gainesville Green". As a testament to their grass roots marketing efforts, each of the two vape pen SKUs featuring these cannabis strains sold out within 48 hours of launch.

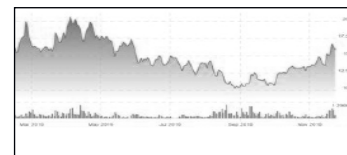
Multiple Channels of Distribution

To meet patient needs, Trulieve provides patients with several different purchase options. Patients can order products for delivery on-line or by calling the Trulieve

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call-center. The company's fully-staffed call center fields on average 2,760 calls per day answering patient questions and facilitating patient orders. Trulieve offers next day delivery service in most areas of Florida. Patients can also place orders for in-store pick-up either online or via the call center. Finally, patients are able to walk-in to any Trulieve dispensary location and place an order in person.

Loyalty Program and Communication Platforms

The Truliever program was created as a patient-based loyalty program whereby patients can earn points for dollars spent with a discount at pre-determined point values. Trulievers also are notified first with special discounts or limited release product offerings and also have access to Truliever-only promotions and events. Trulieve communicates with patients and physicians through a variety of methods including email, text, social media and online chat.

Research and Development

Trulieve has a dedicated research and development team focused on technology innovations and product development. The R&D team evaluates new technologies and performs rigorous testing prior to recommending introduction into production.

CURRENT US REGULATORY ENVIRONMENT FEDERAL/STATE

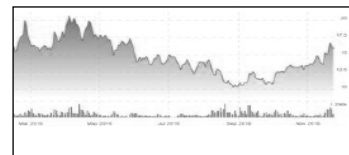
The United States federal government regulates drugs through the Controlled Substances Act (CSA), which places controlled substances, including cannabis, in one of five different schedules. Cannabis, other than hemp, is classified as a Schedule I controlled substance. As a Schedule I controlled substance, the federal Drug Enforcement Agency (DEA) considers marijuana to have a high potential for abuse; no currently accepted medical use in treatment in the United States; and a lack of accepted safety for use of the drug under medical supervision. The scheduling of marijuana as a Schedule I controlled substance is inconsistent with what management of Trulieve believes to be medical uses for marijuana accepted by physicians, researchers, patients, and others. The federal Food and Drug Administration (FDA) on June 25, 2018, approved Epidiolex, an oral solution with an active ingredient derived from the cannabis plant for the treatment of seizures associated with two rare and severe forms of epilepsy, Lennox-Gastaut syndrome and Dravet syndrome, in patients two years of age and older. This is the first FDA-approved drug that contains a purified substance derived from the cannabis plant. Epidiolex remains a controlled substance under the CSA. In this case, the substance is cannabidiol (CBD), a chemical component of marijuana that does not contain the psychoactive properties of tetrahydrocannabinol (THC), the primary psychoactive component of marijuana.

Unlike in Canada, which has federal legislation uniformly governing the cultivation, distribution, sale and possession of marijuana under the Cannabis Act (Canada), marijuana is largely regulated at the state level in the United States. State laws regulating cannabis are in conflict with the CSA, which makes cannabis use and possession federally illegal. Although certain states and territories of the United States authorize medical or adult-use cannabis production and distribution by licensed or

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registered entities, under United States federal law, the possession, use, cultivation, and transfer of cannabis and any related drug paraphernalia is illegal, and any such acts are criminal acts. Although Trulieve's activities are compliant with applicable Florida, California and Connecticut state and local laws, strict compliance with state and local laws with respect to cannabis may neither absolve the company of liability under United States federal law nor provide a defense to federal criminal charges that may be brought against the company. The Supremacy Clause of the United States Constitution are paramount and, in case of conflict between federal and State law, the federal law must be applied.

Nonetheless, more than 30 states and the District of Columbia in the United States have legalized some form cannabis for medical use, while 11 states and the District of Columbia have legalized the adult use of cannabis for recreational purposes. As more and more states legalize medical and/or adult-use marijuana, the federal government attempted to provide clarity on the incongruity between federal prohibition under the CSA and these state-legal regulatory frameworks. Until 2018, the federal government provided guidance to federal law enforcement agencies and banking institutions through a series of United States Department of Justice (DOJ) memoranda.

On January 4, 2018, former United States Attorney General Sessions rescinded the Cole Memorandum by issuing a new memorandum to all United States Attorneys (Sessions Memo). Rather than establish national enforcement priorities to marijuana-related crimes in jurisdictions where certain marijuana activity was legal under state law, the Sessions Memo instructs that "[i]n deciding which marijuana activities to prosecute... with the [DOJ's] finite resources, prosecutors should follow the well-established principles that govern all federal prosecutions." Namely, these include the seriousness of the offense, history of criminal activity, deterrent effect of prosecution, the interests of victims, and other principles.

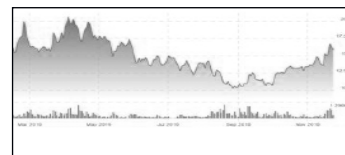
In the absence of uniform federal guidance, as had been established by the Cole Memorandum, numerous United States Attorneys with state-legal marijuana programs within their jurisdictions have announced enforcement priorities for their respective offices. For instance, Andrew Lelling, United States Attorney for the District of Massachusetts, stated that while his office would not immunize any businesses from federal prosecution, he anticipated focusing the office's marijuana enforcement efforts on: (1) overproduction; (2) targeted sales to minors; and (3) organized crime and interstate transportation of drug proceeds. Other United States Attorneys provided less assurance, promising to enforce federal law, including the CSA in appropriate circumstances.

Former United States Attorney General Sessions resigned on November 7, 2018. He was replaced by William Barr on February 14, 2019. It is unclear what specific impact this development will have on U.S. federal government's enforcement policy. However, in a written response to questions from U.S. Senator Cory Booker made as a nominee, Attorney General Barr stated "I do not intend to go after parties who have complied with state law in reliance on the Cole Memorandum." Attorney General Barr's statements are not official declarations of DOJ policy, are not binding on the DOJ, on any U.S. Attorney, or on the federal courts. Attorney General Barr may

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clarify, retract, or contradict these statements.

Nonetheless, there is no guarantee that state laws legalizing and regulating the sale and use of cannabis will not be repealed or overturned, or that local governmental authorities will not limit the applicability of state laws within their respective jurisdictions. Unless and until the United States Congress amends the CSA with respect to cannabis (and as to the timing or scope of any such potential amendments there can be no assurance), there is a risk that federal authorities may enforce current U.S. federal law.

As an industry best practice, despite the rescission of the Cole Memorandum, Trulieve abides by the following standard operating policies and procedures to ensure compliance with the guidance provided by the Cole Memorandum:

1. Ensure that its operations are compliant with all licensing requirements as established by the applicable state, county, municipality, town, township, borough, and other political/administrative divisions.
2. Ensure that its cannabis related activities adhere to the scope of the licensing obtained (for example: in the states where cannabis is permitted only for adult-use, the products are only sold to individuals who meet the requisite age requirements).
3. Implement policies and procedures to ensure that cannabis products are not distributed to minors.
4. Implement policies and procedures in place to ensure that funds are not distributed to criminal enterprises, gangs or cartels.
5. Implement an inventory tracking system and necessary procedures to ensure that such compliance system is effective in tracking inventory and preventing diversion of cannabis or cannabis products into those states where cannabis is not permitted by state law, or cross any state lines in general.
6. Ensure that its state-authorized cannabis business activity is not used as a cover or pretense for trafficking of other illegal drugs, is engaged in any other illegal activity or any activities that are contrary to any applicable anti-money laundering statutes.
7. Ensure that its products comply with applicable regulations and contain necessary disclaimers about the contents of the products to prevent adverse public health consequences from cannabis use and prevent impaired driving.

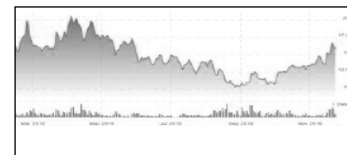
RISKS**Regulatory**

Trulieve's activities are subject to regulation by governmental authorities. The company's business objectives are contingent upon, in part, compliance with regulatory requirements enacted by these governmental authorities and obtaining all regulatory approvals, where necessary, for the sale of its products in each jurisdiction in which it operates. Any delays in obtaining, or failure to obtain regulatory approvals would significantly delay the development of markets and products and could have a material adverse effect on the business, results of operations and financial condition of Trulieve. Furthermore, although the operations of the company are

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currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail Trulieve's ability to import, distribute or, in the future, produce marijuana. Amendments to current laws and regulations governing the importation, distribution, transportation and/or production of marijuana, or more stringent implementation thereof could have a substantial adverse impact on the company.

Anti-Money Laundering Laws and Access to Banking

Trulieve is subject to a variety of laws and regulations in the United States that involve anti-money laundering, financial recordkeeping and proceeds of crime, including the Currency and Foreign Transactions Reporting Act of 1970 (commonly known as the Bank Secrecy Act), as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), and any related or similar rules, regulations or guidelines, issued, administered or enforced by governmental authorities in the United States. In February 2014, FinCEN issued the FinCEN Memo providing instructions to banks seeking to provide services to cannabis-related businesses. The FinCEN Memo states that in some circumstances, it is permissible for banks to provide services to cannabis-related businesses without risking prosecution for violation of federal money laundering laws. It refers to supplementary guidance that Deputy Attorney General Cole issued to federal prosecutors relating to the prosecution of money laundering offenses predicated on cannabis-related violations of the CSA. It is unclear now whether the current administration will follow the guidelines of the FinCEN Memo. If any of the company's operations, or any proceeds thereof, any dividends or distributions therefrom, or any profits or revenues accruing from such operations in the United States were found to be in violation of money laundering legislation or otherwise, such transactions could be viewed as proceeds of crime under one or more of the statutes noted above or any other applicable legislation. This could restrict or otherwise jeopardize the ability of Trulieve to declare or pay dividends or effect other distributions.

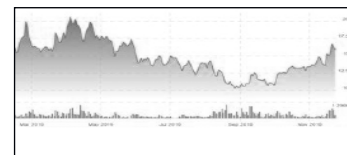
United States Border Entry

Because cannabis remains illegal under United States federal law, those investing in Canadian companies with operations in the United States cannabis industry could face detention, denial of entry, or lifetime bans from the United States for their business associations with United States cannabis businesses. Entry happens at the sole discretion of CBP officers on duty, and these officers have wide latitude to ask questions to determine the admissibility of a non-US citizen or foreign national. The government of Canada has started warning travelers on its website that previous use of cannabis, or any substance prohibited by United States federal laws, could mean denial of entry to the United States. Business or financial involvement in the cannabis industry in the United States could also be reason enough for United States border guards to deny entry. On September 21, 2018, CBP released a statement outlining its current position with respect to enforcement of the laws of the United States. It stated that Canada's legalization of cannabis will not change CBP

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enforcement of United States laws regarding controlled substances and because cannabis continues to be a controlled substance under United States law, working in or facilitating the proliferation of the legal marijuana industry in U.S. states where it is deemed legal may affect admissibility to the United States. As a result, CBP has affirmed that, employees, directors, officers, managers and investors of companies involved in business activities related to cannabis in the United States (such as Trulieve), who are not United States citizens face the risk of being barred from entry into the United States for life.

Ability to Access Public and Private Capital

Given the current laws regarding cannabis at the federal level in the United States, traditional bank financing is typically not available to United States cannabis companies. Specifically, the federal illegality of marijuana in the United States means that financial transactions involving proceeds generated by cannabis-related conduct can form the basis for prosecution under money laundering statutes, the unlicensed money transmitter statute and the Bank Secrecy Act (BSAAs) a result, businesses involved in the cannabis industry often have difficulty finding a bank willing to accept their business. Banks who do accept deposits from cannabis-related businesses in the United states must do so in compliance with the Cole Financial Crime Memo and the FinCEN Memo, each dated February 14th, 2014. The Cole Financial Crime Memo states that prosecutors should apply the enforcement priorities of the Cole Memorandum in determining whether to charge individuals or institutions with crimes related to financial transactions involving the proceeds of marijuana-related conduct. The FinCEN Memo provides guidelines to banks on how to accept deposits from cannabis-related businesses while remaining compliant with the BSA. The Financial Crime Enforcement Network has not rescinded the FinCEN Memo following the United States Department of Justice's January 4, 2018, announcement rescinding the Cole Memorandum.

Trulieve has banking relationships with Florida and Connecticut state-chartered banks for deposits and payroll, however Trulieve does not have access to traditional bank financing. Trulieve has been successful at raising capital privately. The company expects to generate adequate cash to fund its continuing operations. Trulieve's business plan includes aggressive growth, both in the form of additional acquisitions and through facility expansion and improvements. Accordingly, the company expects to raise additional capital. There can be no assurance that additional financing will be available to the company when needed or on terms which are acceptable.

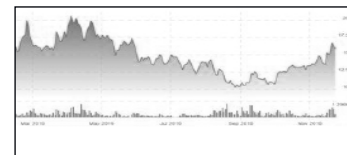
Community Redevelopment Agency Investigation - Indirect Legal Risk

J.T. Burnette, the husband of Kim Rivers, Trulieve's CEO, is facing fraud related public corruption charges and is likely headed to trial in Tallahassee. The charges relate to Burnette's real estate dealing. Burnette is set to go on trial in January on federal extortion and bribery charges as part of the same public corruption probe that already brought down his two co-defendants, Maddox and Paige Carter-Smith. The two pleaded guilty in August to federal charges that they took bribes from city vendors through their Governance lobbying firms in exchange for official action.

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Net Earnings	\$7,181,319	\$7,170,822
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Fully Dilluted EPS	\$0.07	\$0.07
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EBITDA/Share	\$0.24	\$0.11
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Current Assets	\$242,334,191	\$80,790,460
Total Assets	\$442,153,119	\$162,072,581
Current Liabilities	\$49,053,339	\$34,714,428
Net Debt (Cash)	\$95,853,964	\$(17,478,062)
Total Liabilities	\$205,326,390	\$57,853,450
Book Value	\$236,826,729	\$104,219,131
EV	\$1,409,325,126	\$1,462,772,938

SELECTED ANNUAL DATA (\$US)

Income Statement	2018	2017
Revenues	\$102,816,631	\$19,778,344
Net Earnings	\$13,416,258	\$(1,842,109)
EPS	\$0.12	\$(0.02)
Fully Dilluted EPS	\$0.12	\$(0.02)
FCF	\$(27,998,503)	\$(5,722,405)
FCF/Share	\$(0.25)	\$(0.05)
EBITDA	\$45,572,882	\$736,339
EBITDA/Share	\$0.41	\$0.01
Balance Sheet	31-Dec-18	31-Dec-17
Total Assets	\$162,072,581	\$33,869,864
Total Liabilities	\$57,853,450	\$22,748,010
Working Capital	\$46,076,032	\$6,027,736
Long-Term Debt	\$(17,478,062)	\$4,552,941
Book Value	\$104,219,131	\$11,121,854
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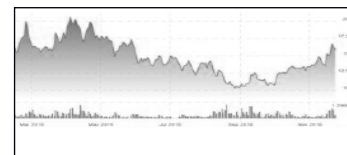
The feds have said they will testify against Burnette.

Background - In 2015, the United States Grand Jury for the North District of Florida began an investigation in to alleged corruption by local officials in Tallahassee, Florida. In June 2017, the grand jury issued subpoenas to the City of Tallahassee and the Community Redevelopment Agency for records of communications, bids for proposals, applications, and more from approximately two dozen business entities and individuals, including Ms. Rivers, the Chief Executive Officer of the Corporation, her husband, J.T. Burnette, and Inkbridge LLC, a business associated with Ms. Rivers. The grand jury also directly subpoenaed Ms. Rivers for information related to her involvement with the agency, a specific commissioner of the agency, and political contributions Ms. Rivers made through an associated business. Ms. Rivers timely complied with the subpoena. Ms. Rivers has not been charged with any crime. No information was requested of Ms. Rivers in her capacity as an officer, director or employee of the corporation. Ms. Rivers promptly disclosed the subpoena to the Board and agreed to notify the Board of further developments. Upon disclosure, the Board met independently to consider the matter, the allegations raised thereunder and Ms. Rivers' response to same. In addition, a member of the Board retained counsel to investigate the matter. Based on such review, counsel to the Board member concluded Ms. Rivers was not a target of the investigation. The Board considered the impact of any potential liability in allowing Ms. Rivers to continue as Chief Executive Officer of the corporation in the face of the investigation and determined that no independent, formal investigation or further action was warranted at the time based on its understanding of the facts as represented by Ms. Rivers. Management of Trulieve remain confident the investigation does not relate to the corporation or Ms. Rivers' conduct as a director, officer or employee thereof and believes that Ms. Rivers has complied with all requests made of her to date pursuant to the investigation. The investigation however remains ongoing. While there can be no assurances given with respect to the outcome of the investigation, no government official has contacted Ms. Rivers or the corporation as part of the investigation since Ms. Rivers produced documents in response to the subpoena in June, 2017. Ms. Rivers' counsel contacted the federal prosecutor supervising the investigation in July 2018, who stated Ms. Rivers was currently not a target of the investigation. The corporation does not know what impact, if any, this investigation will have on the corporation's future efforts to maintain and obtain licenses in Florida or elsewhere. Any negative impact on the corporation's Florida license could have a material adverse effect on the corporation's business, revenues, operating results and financial condition. It is the corporation's goal to create patients loyal to the corporation's brand and in return to provide these patients a superior level of customer service and product selection. Any allegation of wrong doing on the part of Ms. Rivers as a result of the agency investigation could harm the corporation's reputation with its customers and could have a material adverse effect on the corporation's business, revenues, operating results and financial condition as well as the corporation's reputation, even if the agency investigation was concluded successfully in favour of Ms. Rivers. In addition, in the event the agency investigation results in any allegation of wrongdoing or otherwise further targets Ms. Rivers, Ms. Rivers may be unable to continue serving as Chief Executive Officer and director of the corporation. Qualified individuals within the cannabis industry are in high

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demand and the corporation may incur significant costs to attract and retain qualified management personnel. The loss of the services of Ms. Rivers, or an inability to attract other suitably qualified persons when needed, could have a material adverse effect on the corporation's ability to execute on its business plan and strategy, and the corporation may be unable to find an adequate replacement on a timely basis. Upon the occurrence of certain events that would be considered to negatively impact Ms. Rivers' involvement with the corporation, including her becoming a target of the investigation, Ms. Rivers has agreed to convert any Super Voting Shares controlled by her into Multiple Voting Shares.

Again, Kim Rivers has not been charged with any crime. Trulieve is not under investigation and it has not been mentioned in any documents related to the case. While Trulieve continues to perform well, the trial does potentially add another element of risk.

Competition

In its core Florida market, the company has taken advantage of its 'first mover' advantage to become the current dominant medicinal player in the market. While the market continues to grow, its profitability will continue to attract well-funded competition which could win market share and potentially reduce margins.

FINANCIAL PERFORMANCE Q3 2019

Q3 2019 revenue jumped 150% to \$70.7 million from \$28.3 million for the three months ended September 30, 2018, due to increased retail sales. The state registry which approves and maintains the status of the medical cannabis license holders reached approximately 269,000 active patients during the second quarter of 2019. Trulieve's statewide retail and home delivery presence along with its broad product mix of over 260 SKUs were the main reasons for the continued market growth. Trulieve opened 18 additional dispensary locations in Florida, as well as acquired one dispensary in California and one dispensary in Connecticut between October 1, 2018, and September 30, 2019.

Cost of goods sold are derived from cost related to the internal cultivation and production of cannabis. Cost of goods sold, excluding any adjustments to the fair value of biological assets, for the three months ended September 30, 2019, was \$26.7 million, up \$18.4 million or 220%, from \$8.3 million for the three months ended September 30, 2018. This growth was driven by continued market growth and higher sales volume in 2019. Cost of goods sold as a percentage of revenue was 38% for the three months ended September 30, 2019, compared to 29% for the three months ended September 30, 2018.

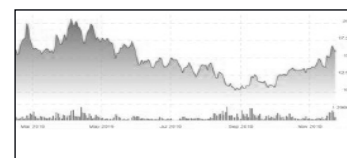
Inventory of plants under production is considered a biological asset. Under IFRS, biological assets are to be recorded at fair value at the time of harvest, less costs to sell, which are transferred to inventory and the transfer becomes the deemed cost on a go-forward basis.

When the product is sold, the fair value is relieved from inventory and the transfer is booked to cost of sales. In addition, in jurisdictions where products are acquired

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from other producers and sold by Trulieve, the cost of sales also includes costs related to such products.

Gross profit after net gains on biological asset transformation for the three months ended September 30, 2019, was \$110.1 million, up \$74.3 million or 208% from \$35.8 million for the three months ended September 30, 2018. This increase was driven by an increased gain on biological assets and increased retail sales. Additionally, because Trulieve was growing more plants as of September 30, 2019, than it was as of September 30, 2018, there are more plants undergoing transformation and therefore more gain.

Q3 2019 total expenses increased 147% to \$20.6 million from \$8.3 million for the three months ended September 30, 2018, which is mainly due to scaling of the business. Total expenses as a percentage of revenue was 29% for the three months ended September 30, 2019, and 2018.

Q3 2019 adjusted EBITDA increased from \$31.6 million in Q2 2019 to \$36.9 million at September 30, 2019, jumping 122% from Q3 2018.

FINANCIAL GUIDANCE

Moving through 2019, Trulieve has stated the company will continue to focus on expanding its footprint in Florida as well as further establish operations in the additional states it has recently entered.

When considering the rapidly growing smokable flower market in the state of Florida, the company dedicated a large portion of current crop capacity to address the pent-up demand for the product. As the medical cannabis patient base expands due to the access of medical flower, combined with existing patients shifting to the product for their medical relief, Trulieve is poised to be the market leader in the product space.

Financial Guidance

Given recent positive operational and market developments, after its second quarter, Trulieve updated its existing full year 2019 guidance and provided long-term outlook.

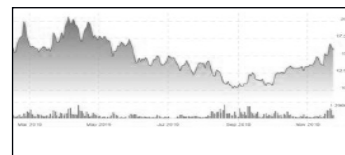
(Guidance presented in US\$ millions and % change)	2018 Actual	2019	2020
Revenue	\$102.8	\$220 - \$240	\$380 - \$400
Adjusted EBITDA^{1, 2}	\$45.6	\$95 - \$105	\$140 - \$160

1. EBITDA and Adjusted EBITDA are non-IFRS financial measures. While Trulieve believes that these measures are useful for the evaluation and assessment of its performance, they do not have any standard meaning prescribed by IFRS, are unlikely to be comparable to similar measures presented by other issuers and should not be considered as an alternative to comparable measures determined in accordance with IFRS.
2. Adjusted EBITDA and Gross margin do not include the net effect of changes in the fair value of biological assets.

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RECENT DEVELOPMENTS

- Completed a second public debt deal, delivering approximately \$61 million in gross proceeds.
- Announced second sale-leaseback on cultivation property in Quincy, Florida for \$17 million in proceeds.
- Proforma cash available to the company as of November 15, 2019, of \$100.8 million.

KEY AREAS OF GROWTH***Dominant Position by Market in Florida – Focus on Profitability***

In stark contrast to some of its competitors which have spread themselves throughout North American and into other parts of the globe, from day one, Trulieve has focused on dominating a market with a disciplined, profit driven approach.

The company believes that it's more efficient and profitable to dominant one market or state rather than cast a wide net in a number of states. In fact, management continues to push this strategy, "We chose to focus on penetrating a market," CEO Rivers said. "We decided to take a very deep and focused approach, as opposed to taking a wide and shallow approach."

By focusing on the state of Florida first, Trulieve has built a dominant presence that includes 55% market share. While this figure will likely come down over time as competition increases, it has allowed the company to expand from a profitable base and positions the company to replicate this strategy or a hybrid of the strategy in other markets to achieve long-term growth. The company's vertical integration in Florida as a producer and retailer has given it better control of product quality, supply and provided efficiencies and scale. The company has also cultivated strong brand loyalty. Management continues to bank on significant growth potential in the medical market and see further potential if the market in Florida is opened to adult-use. The company currently operates 40 stores in Florida and has a target of 44 stores by the end of 2019.

Again, from experience and solid financial base, the company is well positioned to enter new markets.

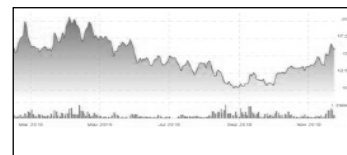
New Market Expansion

While Trulieve's core Florida market continues to have significant growth in the medical marijuana market and if the adult use recreational market opens through legalization, the long-term growth path is likely via replication of its Florida success in new markets (states). While Trulieve may not have the "first mover" advantage in all new markets, the company has a relatively proven and disciplined strategy that has produced profitable results in one market. This does not guarantee success in new markets, but combining the solid track record in a difficult industry with a solid balance sheet and growing current cash flow and Trulieve appears a better bet than most to drive profitable growth via geographic expansion. Pro-forma cash

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Geographic expansion plans include, but is not limited to Massachusetts, California, Connecticut, and as detailed above.

VALUATIONS

KeyStone has been monitoring the Cannabis segment since inception. The one thing that has and continues to be pervasive is a lack of profitability. Generally, the segment has been fraught with poor management guidance in terms of revenue and EBITDA targets and a rather cavalier attitude to profitability generally. Trulieve, while still holding many of the other risks associated with the emerging Cannabis segment, stands out in this regard as being a company that has been focused on and is currently producing profits. In our investment universe, profitability, is key to long-term success in any investment. Trulieve has already posted very strong growth in 2019 and for the year, revenue is expected to grow 114% to 133% to a range of US\$220 million to US\$240 million. Full year 2019 revenue growth guidance includes an expected increase in number of dispensaries in Florida as well as increased patient growth in the state due to the onboarding of smokable flower. Revenue and EBITDA from both California and Connecticut operations are also included. Management expects adjusted EBITDA to be in the range of US\$95 million to US\$105 million reflecting continued leverage of scale and financial discipline. Given that Trulieve has already booked adjusted EBITDA of US\$87 over the first nine-months of 2019, these targets appear well in range. Guidance for 2020 incorporates Trulieve’s expansion into Massachusetts as well as continued growth in Florida, Connecticut, and California. Based on these markets, current regulations, and foreseeable store growth, management estimate 2020 revenues in the range of US\$380 million to US\$400 million, generating US\$140 million to US\$160 million in adjusted EBITDA. Given its strong growth rates, balanced against the higher risks associated with the segment, if we apply a 12 times EV/EBITDA (2020e) we arrive at a fair value of \$20.75 or 30% higher than the current share price.

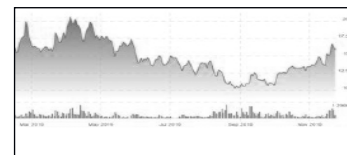
CONCLUSION

In a segment with over 200 publicly listed companies, the Canadian Cannabis market is full of companies which are underperforming financial estimates – both internal and from the very brokerages that have reaped “high” rewards from funding what has been a booming financing business. Over a year into legalized Cannabis in Canada the lack of real profitability and a pattern of overpromising and under-

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Long-Term Debt	\$(17,478,062)	\$4,552,941
Book Value	\$104,219,131	\$11,121,854
ROE	13%	-17%

delivering have emerged. KeyStone has reviewed each of these companies and, after recommending avoiding the sector entirely in 2018-2019, we look to the U.S. market for a potential way to participate in what is a growth segment.

Trulieve, while not without its own risks, is a company that has set itself apart from both U.S. and Canadian peers. A scant few of its comparable publicly-traded companies are expected to be profitable in the current year, and only a few more should be profitable next year. In contrast, Trulieve is expected to post significant positive adjusted EBITDA in 2019 and grow EBITDA at a strong rate into 2020.

For many Cannabis companies 2018 and 2019 continued to be a land and production grab, pushed forward with expensive acquisitions which appeared to have limited focus other than production nameplate growth and lacked any discipline for profitability. Over the same period, Trulieve has grown organically within the state of Florida and now dominates the market. At the same time, the management team has been making targeted and financially disciplined acquisitions in other states, to serve as a base, from which it can potentially replicate a winning Florida model in these other states. Trulieve has not burned through cash, and has been disciplined in regards to diluted of existing shareholders. In a down market generally, for the segment, Trulieve is now well positioned with US\$100.8 million pro-forma cash available to fuel strategic plans including growth in Florida and expansion as a multi-state operator as well as further acquisitions.

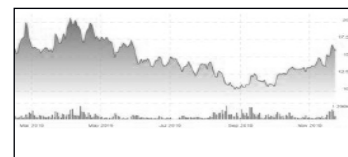
Trulieve has already posted very strong growth in 2019 and for the year, revenue is expected to grow 114% to 133% to a range of US\$220 million to US\$240 million. Full year 2019 revenue growth guidance includes an expected increase in number of dispensaries in Florida as well as increased patient growth in the state due to the onboarding of smokable flower. Revenue and EBITDA from both California and Connecticut operations are also included. Management expects adjusted EBITDA to be in the range of US\$95 million to US\$105 million reflecting continued leverage of scale and financial discipline. Given that Trulieve has already booked adjusted EBITDA of US\$87 over the first nine-months of 2019, these targets appear well in range. Guidance for 2020 incorporates Trulieve's expansion into Massachusetts as well as continued growth in Florida, Connecticut, and California. Based on these markets, current regulations, and foreseeable store growth, management estimate 2020 revenues in the range of US\$380 million to US\$400 million, generating US\$140 million to US\$160 million in adjusted EBITDA. Given its strong growth rates, balanced against the higher risks associated with the segment, if we apply a 12 times EV/EBITDA (2020e) we arrive at a fair value of \$20.75 or 30% higher than the current share price.

From a general perspective, given the regulatory risk, the emerging nature of the business (limited history), oversupply and lack of consistent profitability, KeyStone continues to view the Cannabis segment to hold a well above average level of risk. In the case of Trulieve, we also note a high inventory build versus inventory heading into 2019 - this makes sense to a degree given the very significant increase in store count, but we note it as a potential risk. As such, the stock is not for all clients. For those who wish to have exposure to the U.S. Cannabis segment, we are initiating

Trulieve Cannabis Corp.**Current Price (November 27, 2019): \$16.00****(TRUL:CSE)****RECOMMENDATION: SPEC BUY**

Shares Outstanding.....110,213,649

Fully Diluted Shares Outstanding.....110,213,649

**SELECTED QUARTERLY DATA (\$US)**

Income Statement	Q3 2019	Q3 2018
Revenues	\$70,730,359	\$28,325,604
Net Earnings	\$7,181,319	\$7,170,822
EPS	\$0.07	\$0.07
Fully Dilluted EPS	\$0.07	\$0.07
EBITDA	\$26,050,911	\$11,941,998
EBITDA/Share	\$0.24	\$0.11

coverage on Trulieve in our Canadian Small-Cap Discovery Portfolio with a SPEC BUY rating and a fair value of \$20.75.

Our current buy range is in the \$15.50-\$16.75 range. Clients with less tolerance for risk could take an initial half position.

Balance Sheet	30-Sep-19	31-Dec-18
Current Assets	\$242,334,191	\$80,790,460
Total Assets	\$442,153,119	\$162,072,581
Current Liabilities	\$49,053,339	\$34,714,428
Net Debt (Cash)	\$95,853,964	\$(17,478,062)
Total Liabilities	\$205,326,390	\$57,853,450
Book Value	\$236,826,729	\$104,219,131
EV	\$1,409,325,126	\$1,462,772,938

SELECTED ANNUAL DATA (\$US)

Income Statement	2018	2017
Revenues	\$102,816,631	\$19,778,344
Net Earnings	\$13,416,258	\$(1,842,109)
EPS	\$0.12	\$(0.02)
Fully Dilluted EPS	\$0.12	\$(0.02)
FCF	\$(27,998,503)	\$(5,722,405)
FCF/Share	\$(0.25)	\$(0.05)
EBITDA	\$45,572,882	\$736,339
EBITDA/Share	\$0.41	\$0.01

Balance Sheet	31-Dec-18	31-Dec-17
Total Assets	\$162,072,581	\$33,869,864
Total Liabilities	\$57,853,450	\$22,748,010
Working Capital	\$46,076,032	\$6,027,736
Long-Term Debt	\$(17,478,062)	\$4,552,941
Book Value	\$104,219,131	\$11,121,854
ROE	13%	-17%

2008a; 2009e

The term (a) refers to the actually results that a company has posted on its financial statements. The term (e) refers to analyst estimates of future results.

Book value (BV)

The total value of a company's assets, on its Balance Sheet, less any liabilities. Also referred to as Shareholder Equity. (The value of a company's assets, on its Balance Sheet, does not necessarily reflect the true value of assets).

Cash Flow from Operations (CFO; Operating Cash Flow)

The cash inflow that a company receives during a period, resulting from operating activities (does not include Cash Flow from Investing or Financing).

Current ratio

One of many ratios designed to evaluate short-term liquidity of a company. Calculated as current assets divided by current liabilities, this ratio gauges the level of cash resources relative to current liabilities as a measure of cash obligations (the ratio should be greater than 1).

D/E: Debt-to-equity ratio

A measure of a company's financial leverage calculated by dividing long term debt by shareholders equity. It indicates what proportion of equity and debt the company is using to finance its assets (a lower ratio indicates lower relative debt ratios).

EBITDA

Earnings before interest, taxes, depreciation, and amortization. EBITDA is calculated as revenue minus expenses (excluding tax, interest, depreciation, and amortization).

EPS: Earnings per share

A company's earnings available to common shareholders, also known as net income or net profit, divided by the number of shares outstanding.

Fair Value

The price at which an analyst believes a company's stock should be priced. Although this value is based on intelligent analysis, it in no way is a representation of what the company's share price will be trading at given any period of time. The analysis used to determine Fair Value is based on numerous assumptions and uncertainties. Fair Value should be used only as a general guide to investing and should not be depended upon.

FCFE: Free cash flow to equity

Cash flow from operations less working capital requirements, sustaining capital expenditures and scheduled debt repayments. FCFE consists of cash inflows that are available to the shareholders of the company.

Net working capital surplus (deficiency)

A measure of the company's ability to carry on its normal business comfortably and without financial stringency, to expand its operations without the need of new financing, and to meet emergencies and losses. Calculated by deducting current liabilities from the current assets (as positive figure is a surplus, whereas a negative figure is a deficiency).

P/B: Price-to-book ratio

Calculated as a stock's market value (current closing price) divided by its latest quarter's book value. While a lower P/B ratio could mean that the stock is undervalued, it could also serve as a sign of weak fundamentals, and as with most ratios, this varies a fair amount by industry.

P/CF: Price-to-cash flow ratio

Calculated as a company's current share price divided by its cash flow per share (i.e., free cash flow divided by the number of company's shares outstanding) over the last four quarters (called "TTM," or "trailing 12 months" calculation). It is a measure of the market's expectations regarding a firm's future financial health.

P/S: Price-to-sales ratio

It is calculated as a stock's current market price divided by its sales (revenue) per share. When calculating this ratio, we use the company's revenue from its latest four quarters, or on a TTM basis.

ROE: Return on equity

A measure of a corporation's profitability, calculated as net income divided by shareholder's equity. ROE is often useful in comparing the profitability of a company to other firms in the same industry.

Tangible Book Value (TBV)

The total value of a company's assets, on its Balance Sheet, less any liabilities and intangible assets such as goodwill. Also referred to as Shareholder Equity. (Also true asset values likely differ from Balance Sheet Values, Tangible Book Value is generally considered a more accurate representation of value).

Times Interest Earned

The multiple of Net Income (before interest and taxes) to interest payments during the period. This assesses a company's ability and margin of safety, with respect to meeting its interest obligations (a higher number is more attractive).

Yield

The investment return resulting from income distributions. Calculated as the annual or annualized interest or dividend distribution, divided by the cost of the original investment.

Disclosure					
Stock Holding				Other	
Companies	KeyStone	KeyStone Employees	Related Companies	Investment Banking Client	Related Company Business Relationship
Trulieve Cannabis Corp.,	YES	YES	NO	NO	NO

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