

WeedMD's Kraft on how distribution agreements are critical to the cannabis business

"At WeedMD we are very proud of the foundation we have built from the production platform. We have got 1,200 kilograms coming out of our original indoor facility in Aylmer, Ontario. With our expansion of a hybrid greenhouse in Strathroy we have 20,000 kilograms coming onboard of quality quads coming out of flower and then an additional 30,000 kilograms of production for oil. We have to find a home for that product. Clearly these distribution agreements are critical to the business and hitting our revenue and sales milestones." States Michael Kraft, Chairman of [WeedMD Inc.](#) (TSXV: WMD), in an interview with InvestorIntel Corp. CEO Tracy Weslosky.

Tracy Weslosky: Michael you introduced me to the cannabis industry sector when it first started. What was that 2013/2014?

Michael Kraft: Beginning of 2014.

Tracy Weslosky: Michael I see that you just put out your third quarter results. I read you have increased revenue by 461% year-over-year prior to opening of Canada's adult use market. Can you just talk to us about a couple of your highlights from your third quarter results because there was quite a few results/updates?

Michael Kraft: Sure. I think the most significant is our topline of sales increased from approximately \$350,000 to an excess of \$2 million dollars. Behind that is our growth in patients, medical patients, which is paramount to our business. In addition we continued to generate revenue from

the sale of genetics domestically to other LPs, which is part of our MO to seed the industry. Notably is also our first export shipment to Australia. It is actually the first legal shipment of genetics into Australia that we are very proud about. We also see growth coming from the export of our genetic business.

Tracy Weslosky: Call me an old fashioned investor, but we like things like distribution for instance. I noticed you have a deal with Shoppers Drug Mart and several distribution channels including an announcement with Lifford Cannabis Solutions. Can you tell us more about your distribution infrastructure?

Michael Kraft: At this juncture distribution is critical. We meet as a company the focus whether be it for the board or management level as distribution, distribution and distribution. WeedMD has successfully secured relationships with a number of provincial agencies ranging from BC, Alberta through to Ontario through to Nova Scotia. We have also secured a notable distribution agreement supply agreement with Shoppers Drug Mart. In summary WeedMD has secured critical distribution platforms across Canada. That includes the retail channel with Shoppers Drug Mart for the drugstore chain.

Tracy Weslosky: My take on this is the reason why you are securing all of these critical distribution channels is because of your production. What I see, a half a million square feet of cultivation. Correct me. Tell me about your actual production Michael.

Michael Kraft: At WeedMD we are very proud of the foundation we have built from the production platform. We have got 1,200 kilograms coming out of our original indoor facility in Alymer, Ontario. With our expansion of a hybrid greenhouse in Strathroy we have 20,000 kilograms coming onboard of quality quads coming out of flower and then an additional 30,000 kilograms of production for oil. We have to find a home for that product. Clearly these distribution agreements are

critical to the business and hitting our revenue and sales milestones...to access the complete interview, [click here](#)

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