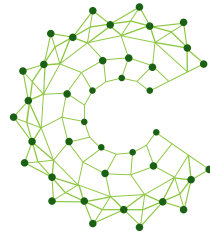




Cannabium

WHITE PAPER

November 2019



Cannabium

Cannabium Shops™

Cultivating a Decentralized Cannabis Future

**GREAT PRODUCTS, GREAT PRICES,
GREAT MEANS OF PAYMENT**

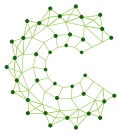
CANNABIUM ERC20 TOKEN (CNAB):
Backed by Legal Cannabis; Tradable on the Blockchain



Whitepaper

Nov 2019





DEFINITIONS

CANNABIUM SHOPS™:

Marketplaces or stores selling cannabis products, including extracts, where Cannabium tokens (CNAB, see below) will be accepted as a preferred payment mechanism.

CBD:

Cannabidiol, a cannabinoid, or cannabis extract, is an active pharmaceutical ingredient that is not psychoactive: it does not cause a “high.” It is also the primary ingredient in most medical marijuana formulations and can be derived from hemp.

CNAB:

The Cannabium token symbol. CNAB is an ERC20 token and the preferred means of payment at all Cannabium Shops™.

CORRELATED TO:

The token’s purchasing mechanism provides a value correlation between the token and the corresponding amount of CBD which it can purchase. Thus there is expected to be a correlation between the token and the price of CBD.

ERC20:

A protocol standard that defines certain rules and standards for issuing and transacting with tokens on Ethereum’s network.

ETHEREUM:

An open source, public, blockchain-based distributed computing platform and operating system featuring smart contract functionality.



Photo 1. The Cannabium coin next to Bitcoin and Ethereum coins.

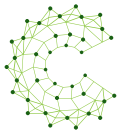


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[0] SUMMARY

Cannabium represents a step forward in the evolution of blockchain technologies, enabling decentralized trade in an emergent industry while providing a convenient means of exchange for that industry's leading product.

Cannabium is a blockchain-based currency, designed to be the preferred means of payment for all online cannabis transactions. By means of a certification process, we identify and cultivate nascent producers and vendors who agree to accept Cannabium tokens (symbol: CNAB) and support its use via discounts, perks, special items, and via other means.

All Cannabium Shops™ are intended to be dynamic marketplaces for cannabis extracts like CBD, a non-psychoactive extract of the cannabis plant widely used in medical marijuana formulations. Cannabium allows a new kind of marketplace which uses tokens that are redeemable based on their direct correlation with cannabis extracts. Cannabium Shops™ must pass certification relating to the agricultural practices of their producers and licensure of their entire supply chain.

Cannabium has the roles of: payment mechanism; quality control – through certification; and marketing partner to the Cannabium Shops™.

Cannabium tokens create a symbiotic relationship between retailer, consumer, and cannabis, which in time will create a stabilized spot price for extracts, making Cannabium tokens a highly sought after asset.

The market for CBD is growing significantly, with some forecasts estimating it will be a \$20+ billion global market by 2027. Cannabium is intended to be usable by a wide variety of marketplaces and commercial endeavors in the cannabis sector. By using the blockchain, Cannabium tokens bridge the multitude of operators, creating a unified, but still decentralized ecosystem for cannabis extract producers and buyers.

We see the tradable nature of tokens and the decentralized aspects of blockchain as being a natural evolution of traditional, centralized exchanges. B2B tradability can convey the benefits of liquidity, transparency, and price discovery, all of which are hallmarks of free markets. Cannabium Shops™ represent a transformative step forward in the enhancement of existing commercial processes.

GREAT PRODUCTS, GREAT PRICES, GREAT MEANS OF PAYMENT.

[1] BACKGROUND

Cannabium aims to be a globally recognized brand where blockchain technology and quality cannabis products intersect. The history of both of these enterprises provides context and insight into the uniqueness of the Cannabium brand and its token.



1.1. THE GREY MARKET PAYMENT PROBLEM

As the recent wave of cannabis legalisation has raced ahead, financial and other services have lagged behind. This has created a challenge for many legal cannabis shops and opportunities including those in the financial technology space.

Even in countries that have fully legalized both medical and recreational cannabis, as well as in countries that have legalized only medical uses, there is little to no ability to access regular banking services, including payment processing.

The reasons for this are complex, and relate back to the global reach of US and New York banks, to the USA's mixed stance on cannabis, to post 9/11 laws that restrict some forms of banking activity and, finally, to a general conservative approach in most banks where there's little perceived first-mover advantage and low tolerance for certain types of risk.

We call these markets - ones that are perfectly legal, but underserved by standard institutions - "grey markets." In addition, some of these markets carry a legacy of stigma. We see providing service in those markets as an opportunity to develop not only a practical solution to existing technological and financial challenges, but as an opportunity to develop a brand that can have traction across changes in banking practices.

1.1. THE BLOCKCHAIN SOLUTION

As a means of exchange, Cannabium is built on the Ethereum blockchain, utilizing the ERC20 protocol for smart contracts. The advent of Ethereum's platform and smart contracts empowered a global adoption of blockchain technology. Without an intermediary (a third party of trust), business can now be conducted directly and transparently between buyer and seller, making the whole process more direct and cost effective. Removing the middle-man removes the banks and the issues related to banking executive's reticence to enter a market that though legal in their own jurisdiction has not been entirely embraced in the USA.

The grey market nature of cannabis creates a unique opportunity to leverage blockchain for one of it's intended but rarely achieved goals: to create a usable currency in which to transact the buying and selling of things of value. That is what Cannabium does.

Marketplaces and shops that use blockchain technology enable direct engagement between qualified providers (sellers) and buyers, creating a more cost-efficient and transparent trading environment, while limiting the need for expensive third parties.

A side-effect of Cannabium's use of blockchain is to enhance cannabis extract pricing in a way that sets a benchmark for standardization and transparency, all while stabilizing costs, creating liquidity, and promoting legitimization of the newly legalized cannabis extract industry. It avoids issues related to slow (or no) opening of services by banks and other financial industry players. This slow acceptance by banks has led to issues for online purchases and to date has forced many "brick and mortar" establishments to maintain large amounts of cash on hand.



"The removal of intermediaries and settlement on distributed ledgers allows for dramatically increased transaction speeds compared to a wide range of existing systems."

MARK GATES

Author Of "Blockchain: Ultimate Guide To Understanding Blockchain, Bitcoin, Cryptocurrencies, Smart Contracts, And The Future Of Money."

1.2. THE CANNABIS MARKET

In the past, some forward-thinking entrepreneurs thought to apply blockchain technology to facilitate the trade of cannabis and its related products. None of those, however, were backed by a real asset. Furthermore, none created marketplaces fueled by the confluence of an active producer and a funded token as Cannabium has managed to build.

Cannabium tokens are unique. They are directly correlated with physical products (cannabis extracts), which are legally produced and sold directly in one or more Cannabium Shops™.

The wave of global deregulation and increasing public acceptance are resulting in rapid growth in the cannabis extract market, which will be further uncorked by handling the payments hurdles imposed by existing financial institutions and inconsistencies in quality claims – hurdles that Cannabium tokens and official certification overcome.

1.3. THE CANNABIUM VISION

Cannabium, via its shops, aims to expand access to a natural product that appears to have numerous medical benefits, some of which are unique among available medicinal sources and with no known adequate substitutes.

Cannabium is capitalizing on the increased global legalization and legitimization of cannabis extracts, bringing benefit by simplifying and improving the distribution of these potentially medicinal ingredients.

Cannabium Shops™ effectively merge blockchain technology and one or more cannabis extracts to create a more cost-efficient and transparent way to buy and sell cannabis extract products. Now, buyers and producers of cannabis extracts have a legitimate and transparent market in which to trade while avoiding the higher cost of intermediaries. The savings are passed on to the buyers, increasing the utility and, therefore the demand for Cannabium tokens as a means of exchange.



[2] INTRODUCTION AND OVERVIEW

The Cannabium team analyzed the landscape and expects the generally tradable nature of tokens and the decentralized aspects of blockchain to be natural counterparts of traditional, centralized marketplaces. Cannabium Shops™ make the most of blockchain technology, which is well-suited to trade in “gray market” products – ones that are fully legal, but have not secured support from existing financial service institutions.

Armed with this insight, we offer a token in the cannabis extract space that is fundamentally different from any other: it is correlated to a real product. That product is legally grown, produced, verified, exported, and imported in compliance with the laws of each country involved. The knowledge base provided by Cannabium Shops™, as discussed in Section 5.2 (Certification Features), will include information about demand via trackable sales.

While offering a mechanism for participation in the global cannabis market and simultaneously furthering that market’s reach, the correlation between the tokens and the product offers a form of value protection for that participation as the token functions similarly to a “stable coin” which is effectively backed by a product and is a designated preferred means of payment and similar financial transaction in that product: cannabis extracts generally and CBD in particular.

Cannabium was launched to engage cannabis markets on both the physical and financial fronts. While Cannabium is recently launched, its story is the culmination of nearly fifteen years of cannabis and financial technology entrepreneurship.

The goal of Cannabium is to enable platforms for trade in cannabis extract products that is close to the source and thus provides the benefits encoded in fair trade practices. The token and platform puts into place the idea of trade with the mechanisms needed to enhance transparency, standardization, accessibility, cost savings, and liquidity.

To date, there is no global reference price for CBD or any cannabis extract product. Cannabium can change that – and the potential effect on the overall cannabis extracts market and its availability could be significant – effectively being a direct “spot” price for the primary backing product: CBD. Thus we aim to float Cannabium tokens so that they can reflect a fair market price for this emerging commodity. All without recourse to a traditional, centralized commodity exchange, but rather directly via the token’s pricing on a decentralized token exchange. This is the future not only of transparent payments, but a new model of market pricing for emergent commodities.



Photo 2. Our technology expert, Ezra Epstein, giving a speech at CannaTech, Israel about the role of blockchains in the cannabis industry. CannaTech is the next-level medical cannabis conference.

[3] CANNABIMUM TOKEN TERMS

Each Cannabium token will be a direct representation of the international market value in Cannabis extracts.

Additional liquidity - intended to increase pricing stability - will be provided via token relay.

The Token Issuer, or its designates will provide initial market making to stabilize the tokens' price during the weeks after its exchange listing.

Details regarding the token sale structure and token attributes are available in Section 7 (Cannabium Tokens).

[4] MARKET OPPORTUNITY

According to Grandview Research, the medical cannabis market could grow globally from its value of \$11.4 billion in 2015 to \$55.8 billion in 2025 – at an annual rate of 17.2%.

The CBD market, which is highly correlated with the medical marijuana market, could potentially expand even more impressively. In 2016, Forbes estimated that the CBD market could grow by over 1,000% in 10 years, from a value of \$202 million in 2015, to \$20.1 billion by 2027.



We expect that the continuing growth of the overall medical cannabis market, and in particular the market in CBD, will have a positive impact on Cannabium generally and the Cannabium token in particular. This outlook is strengthened and underscored by several factors:

1. The cannabis market has the potential to transition from an illicit industry to a legal economy (of the \$53 billion spent on cannabis in 2016 in the United States alone, only \$7 billion was spent through legal channels). Some of the recent steps toward legalization could indicate that legal sales are growing in proportion to the overall market.
2. The public perception of marijuana has been changing favorably at a rapid pace, with many members of the public increasingly open to embracing innovative solutions. For example, in 2016, 57% of U.S. adults favored the legalization of marijuana, whereas only 32% favored it a decade earlier.
3. The acceptance of CBD products by the medical world is on the rise. CBD is believed to possess certain health benefits, but one main obstacle to further research has been the antiquated scheduling of CBD as a controlled substance, even though it lacks the psychoactive effects found in THC. Not only has the World Health Organization found it to lack the basis for being treated that way, even researchers within the U.S. FDA have taken up the issue and requested Congress to change the statutes governing this designation.
4. There is fragmentation within the market due to a lack of product standardization. By having an open means of exchange, the token begins to address aspects of the market's fragmentation at the product level.

Taken together, we view these factors as strong indicators that the market for CBD could continue its impressive growth. Cannabium is positioning itself to play a leading role in the trade aspects of this market.

A significant part of such growth could happen in 2020, as scientists and policymakers continue to acknowledge the benefits of CBD publicly in a more assertive manner. Such growth could increase the demand for CBD and CNAB concurrently, which might, in turn, have a positive impact on the value of CNAB tokens.

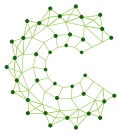


Photo 3. A featured producer, GreenHeart CBD brings premium Irish-grown CBD products to the global market. They are managing their supply from seed to sowing, and from harvest to extraction to ensure the highest quality broad-spectrum product.

4.1. LEGALIZATION MOVEMENT

Within the last five years, the cannabis world has witnessed increased legalization. One after another, countries in Europe and the Americas, including Germany, Greece, Italy, Poland, Canada, Colombia, Uruguay, and Argentina, have either legalized or decriminalized the use and export of cannabis for medicinal and scientific purposes.

Within the same period, numerous states in the U.S. have legalized the use of cannabis for medicinal purposes and, more recently, for recreational use as well. These uses currently remain illegal under U.S. federal law; which, while it may change in the future, creates an opportunity and a need for an open payment system that does not rely on interchange with U.S.-based global banks. Enter CNAB tokens.

Within the overall legalization movement, CBD generally, and CBD derived from hemp in particular, has garnered nearly global acceptance and is finding its way into a wide variety of products that are sold over-the-counter, without a prescription.

CBD containing products can be imported to the countries below on condition that such products have negligible THC content.

Argentina	Costa Rica	Greece	Luxembourg	Romania
Austria	Croatia	Guam	Malta	Scotland
Belgium	Cyprus	Guatemala	Netherlands	Slovak Republic
Belize	Czech Republic	Hong Kong	Netherlands Antilles	Slovenia
Brazil	Denmark	Hungary	Northern Ireland	South Africa
Bulgaria	England	Iceland	Norway	Sweden
Canada	Estonia	India	Paraguay	Switzerland
Chile	Finland	Ireland	Peru	U.S. Virgin Islands
China	France	Italy	Poland	United Kingdom
Colombia	Georgia	Latvia	Portugal	Uruguay
	Germany	Lithuania	Puerto Rico	Wales.

Figure 1. List of countries where pure CBD may be legally used.

These countries comprise some of the leading economies of the world, which provides for a significant market for CBD in terms of purchasing power.

We believe that this increased legalization provides a unique opportunity for innovative solution providers in the cannabis sector. We are therefore optimistic about the project's prospects in standardizing and further legitimizing the cannabis market by creating a blockchain-based means of trade in CBD and related extracts.

4.2. POTENTIAL BENEFITS OF CBD AND MEDICINAL USE

Cannabis has unique compounds called cannabinoids, which are the active chemicals in cannabis that may cause medicinal effects throughout the body, including the immune system. Some cannabinoids have psychoactive properties (acting on the brain and changing mood or consciousness). One example is Delta-9-Tetrahydrocannabinol, commonly known as THC. Another cannabinoid, Cannabidiol (or CBD), is an active pharmaceutical ingredient that is not psychoactive. It does not cause a "high."

In general, additional research is necessary regarding the benefits of cannabis. Among cannabinoid extracts, CBD has been the subject of a number of research projects. Clinical trials have suggested that it may have anti-inflammatory and anti-anxiety effects, with potential medical benefits in the treatment of anxiety, psychosis, arthritis, cancer, diabetes, epilepsy, nausea, and pain.



Photo 4. A young cannabis plant growing on the land of a Cannabium production partner, on the way to fulfilling its tremendous potential.

"I've come to realize there really are medical benefits to medical marijuana. For many of the patients I spoke with, medical marijuana is not a joke. It's not funny. It's a treatment that they've come to rely on."

DAVID CASARETT

Physician, Author, Researcher And
Professor At The University Of Pennsylvania.

According to research, CBD generally interacts with the body through the endogenous cannabinoid system (ECS) or endocannabinoid system, which regulates the body's homeostasis, or general state of balance, impacting such functions as mood, sleep, appetite, and hormone regulation, as well as pain and immune response.

The high-grade, nearly pure form of CBD (sometimes called CBD paste or crystalline CBD) is used as an active ingredient in pharmaceutical and nutraceutical preparations, and is also sometimes prescribed and administered as-is in its nearly pure form.

CBD can be taken orally (ingested), applied externally, inhaled, or sprayed under the tongue. Numerous products are created from CBD, including oils, drops, vaporizers, wax, gummies, drips, dabs, skin-care solutions, and edibles such as chocolates, to name a few.



CBD is present in the natural extracts of hemp and cannabis and its efficacy appears to be enhanced by the presence of small amounts of the other cannabinoids and terpenes.

- | | | | |
|---|---|-------------------------------|--|
| • Antibacterial | • Reduces seizures and convulsions | • Relieves pain | • Inhibits cancer cell growth |
| • Reduces blood sugar levels | • Relieves anxiety | • Neuro-protective | • Reduces function in the immune system |
| • Tranquilizing | • Promotes bone growth | • Reduces inflammation | • Treats psoriasis |
| • Slows bacterial growth | • Reduces risk of artery blockage | • Vasorelaxant | • Suppresses muscle spasms |
| • Reduces small intestine contractions | | | |

Figure 2. Potential Health benefits of CBD

[5] CANNABIUM SHOPS™

The goal of Cannabium Shops™ is to create an overall ecosystem that benefits all participants: producers, ecommerce sites, buyers and token holders.

By certifying a shop we enable producers to sell a product more directly and ensure buyers that the products being sold are of high quality. Each certification is part of a set of terms that includes the shop's agreement to make Cannabium tokens a preferred form of payment by offering perks and/or discounts for purchases made using the Cannabium token.

In addition to being a seal of quality and trust, Cannabium acts as an umbrella marketing effort for all of the Cannabium Shops™, thereby contributing to the ecosystem and benefiting from it as well.

Additional contributions to the overall ecosystem include the ability to take action to help stabilize the value of the token on exchanges. Additional benefits from the ecosystem include receiving referral fees and, in the case of Cannabium token-based transactions, passing a portion of those on to the customer/buyer, thereby increasing the discount they receive compared to other means of purchase.

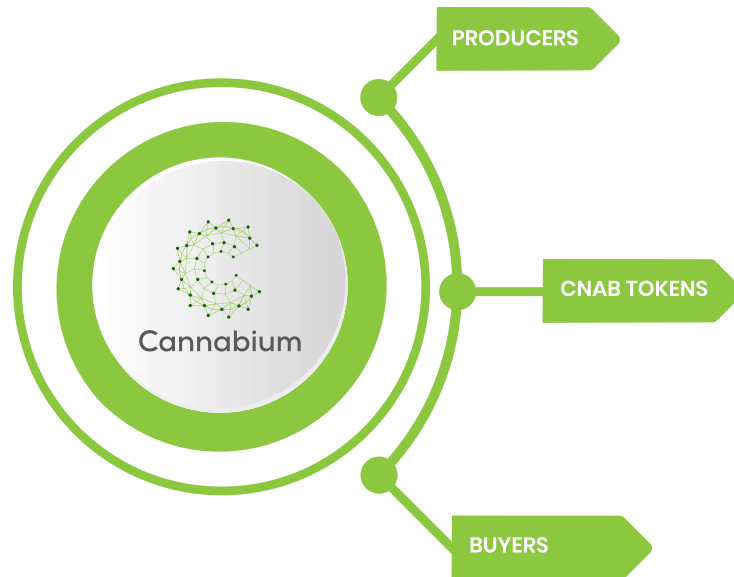


Figure 3. Cannabium ecosystem.

The Token Issuers reserves the right to charge a small, nominal transaction fee to offset any costs related to stabilizing the token's price and also as a means of paying for any marketing costs that are done on behalf of the overall Cannabium ecosystem.

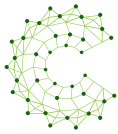
Cannabium has partners that together support all aspects of the overall ecosystem. These operations include the cultivation of cannabis, the production of CBD products, together with online payment processing and the software and other technology needed to enable these operations.

All Cannabium Shops™ are required to have verified product and appropriate licensure from corresponding governmental authorities. Cannabium's production partners are responsible for sourcing product, including selecting strains, overseeing the cultivation of the plants, and producing high-grade cannabis extracts.

5.2. FEATURES

The marketplace approach is intended to create a symbiotic relationship between each marketplace and the CNAB token, by requiring Cannabium Shops™ to give some form of preferential treatment to customers paying with Cannabium tokens.

In exchange, Cannabium offers marketing services via online and social media channels, and charges reduced referral and affiliate fees for transactions using Cannabium tokens.



5.2.1. Business Model

The heart of the model is to create a token backed by the value of CBD.

A small transaction fee is charged for each transaction. This is to offset the cost of operations.

Cannabium and its network acts as a marketing affiliate and gets paid a referral fee for completed purchases. The fees are intentionally lower for transactions completed using Cannabium tokens.

Participant sellers are able to access fee-based, add-on services.

There is a growing set of certified Cannabium tokens processors. Cannabium tokens processors are charged a certification fee when they join the program.

The Cannabium token (CNAB) is intended to be a primary means of exchange for cannabis extracts. By certifying great products, encouraging great prices, and making Cannabium tokens a great means of payment, we aim to make Cannabium a trusted brand synonymous with high quality cannabis products.

5.2.2. Token Benefits

- **Built on the Blockchain**

Cannabium tokens are ERC20 tokens, built and deployed upon the Ethereum blockchain. One of the advantages of choosing ERC20 is the rich ecosystem of existing services that are automatically available to CNAB when adhering to this standard. Compared to a custom blockchain or other platforms, the existing infrastructure – including wallets, web UI, and exchanges – positions Cannabium tokens to be tradable directly by means of existing tools and apps, without the overhead of a custom development effort.

- **Decentralized**

Starting with a distributed blockchain wherein each token holder controls the destiny and usage of their tokens, we take the decentralized vision further by certifying independent marketplaces rather than trying to run a single, central one. This allows a broader, richer ecosystem to develop, while certification allows us to ensure quality and standards compliance, putting in place the prerequisites for a strong brand.

Additionally Cannabium tokens support peer-to-peer transactions, eliminating the traditional lag of financial institutions when it comes to providing service to “gray market” aspects of the global economy. These gray markets include newly legalized products (like cannabis extracts) that need a means of exchange before banks and government services catch up with local changes in law.



We intend for Cannabium to reduce the marketing and advertising budgets for sellers while simultaneously saving time for buyers who can enjoy the benefit of purchasing safely from credible producers that sell high-quality products.

- **Price Discovery**

Exchange-listing Cannabium tokens exposes a proxy for the “spot price” of CBD globally.

To date, there is no global reference price for CBD or any cannabis extract product. Cannabium can change that – and the potential effect on the overall cannabis extracts market and its availability could be significant – effectively being a direct “spot” price for the primary backing product: CBD. Thus we aim to float Cannabium tokens so that they can reflect a fair market price for this emerging commodity. All without recourse to the traditional, centralized commodity exchange, but rather directly via the token’s pricing on a decentralized token exchange. This is the future not only of transparent payments but a new model of market pricing for emergent commodities.

Cannabium Shops and Certification provides a platform powered by lab testing and data analytics, keeping a real-time price check of \$/Mg means the platform can calculate the value of compounds (CBD etc) down to the milligram providing users with an indicator of how fair the products price is, creating a fair yet competitive market. This ecosystem allows producers, retailers and cultivators to communicate and purchase goods on a data-driven platform, tracking the entire procedure from the beginning, seed to sale, using only the Cannabium digital currency; CNAB.

This powerhouse relationship between certified Cannabium Shops and state of the art data analysis could eventually see a standardised Cannabis product tradable on a centralised commodities exchange, there currently is no such asset and thus a more limited form of market-based price discovery. A side-effect of tokenisation, standardisation and exchange trading of the token is that the Cannabium digital currency can act as a proxy for the spot price of Cannabis. Thus speculators on the price of namely extracts, as well as the main information holders – the buyers and sellers of Cannabis products – all interact on the exchange and represent an interest in Cannabium allowing transparent price discovery along with standard market speculation.

5.2.3. Marketplace Benefits: Buyers



Figure 4. How the funds are used

- **Ease of Transaction**

By working with technology partners to support mobile and web-based purchases, Cannabium aim to lower the technological “friction” present in most transactions involving blockchain. For example, Cannabium tokens are already supported by widely adopted Ethereum wallets such as MetaMask and MyEtherWallet. We are also looking to currency exchange platforms, like ShapeShift and Khyber to streamline transactions for holders of other cryptos. That combined with the variety of products that we envision being available give buyers a convenient and broad-reaching means of exchange in the form of their Cannabium tokens

- **Safety**

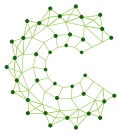
Through verification and licensure processes, Cannabium Shops™ offer buyers reliability. By offering multi-sig protocols and services, wholesale buyers (and sellers) are provided with an additional level of safety in their transactions.

- **Compliance**

Cannabium Shops™ ensure that producers operate in line with their local regulations, and that only producers who are found to comply with local regulations are permitted in the marketplace. Buyers are thus assured that products bought on all Cannabium Shops™ have and comply with the necessary export and other licenses in accordance with all laws where they do business and where they ship or deliver products.

- **Simplicity**

The business model offers a simple yet adaptive solution for marketplaces offering cannabis extracts.



- **Decentralized Ecosystem**

The Cannabium Shops™ together with the Cannabium token play essential roles in creating an ecosystem in which buyers will have multiple ways of using Cannabium tokens.

- **Consistency**

By offering true cannabis extracts marketplaces which accept its token, effectively backing it with real product, and by verifying all production partners, the Cannabium Shops™ offer the right mechanism for standardized pricing and product quality assurance.

5.2.4. Marketplace Benefits: Sellers



Figure 5. How the funds are used

[6] PEOPLE

Behind every success lies a good team and a system. Aware of this fact, Cannabium has brought together a core team rich in cannabis industry and financial technology expertise to accomplish its mission: creating the best blockchain-connected ecosystem for the trade of cannabis extracts.

We are a small group of dedicated professionals with diverse backgrounds who came together around a shared vision. From the start we have benefited from distinguished advisors and first-class service providers.

6.1 Management Team



Ezra Epstein

Co-Founder

Ezra is a Co-Founder of Tokenopoly Financial Technology Inc. and was previously VP of Engineering at DataVolo, Inc., a Seattle big data analytics consultancy. A former Senior Software Engineer at Amazon, Ezra has held roles that include Senior Software Architect and Principal Software Engineer. Having discovered a knack for software development after gaining a graduate degree in mathematics from UC Berkeley, Ezra's career has progressed organically over two decades, working up from an individual contributor to a technical team lead, and then to a senior architect and manager overseeing teams of other architects and developers.



Alon Geva

Co-Founder

Alon has worked closely with thousands of people over two decades, aiming to help each and every one of them to make their lives better. He has been supporting people through healing processes and inspiring them to make a difference in their lives using alternative medicinal methods.

Through the years, Alon has been investing in people and projects that have the potential to make a real difference in the world, for the benefit of humanity.



Paul Walsh

Chief Cannabis Officer

An important advocate in the fields of sustainable and organic foods, Paul is currently CEO of GreenHeart Sustainable Food Systems and GreenHeart Oils (CBD). He's also Co-Founder of Crypto Education Hub, a project that helps educate newcomers successfully navigate the crypto space with helpful, educational tools. Previously, Paul served as Non-Executive Director for Act Foundation, a decentralized funding platform for activism, and was instrumental in getting their ICO off and running.



Mark Canavan

Director

Mark Canavan is an accredited businessman coming from a family of entrepreneurs, Mark has been involved in many ventures from catering to retail. He is the founder of HaloMunchies, a charity based vending machine company. This operates successfully with a nation-wide distribution network while continuously donating to charity.

Mark has a keen interest in health and wellbeing and through his positive personal experience with CBD and keen interest in herbal remedies decided to embark on this project.

6.2. ADVISORS



Nick Heldreth

Agricultural Expert

A seasoned entrepreneur and financial services marketer, Nick has co-founded several noteworthy token projects. One of them is BudBo, a cannabis industry data initiative where he led the marketing drive as CMO and helped the team successfully launch their ICO. Nick's comprehensive startup background spans multiple industries, including a decade in financial services sales and marketing, and four years as Managing Partner at a Texas-based mortgage brokerage.



John David Carrasco

Industry Advisor

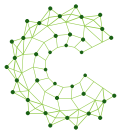
John David Carrasco is president and CEO of Cannliv, a company with offices in Denver, Colorado; Houston, Texas; and Barranquilla, Colombia. Cannliv has applied for a cannabis cultivation license in Texas. Additionally, John is CEO and publisher at John David Global, a digital web studio. He also served as chair for the first Cannabis Caucus at the Texas Democratic Party State Convention in the summer of 2017. John David now resides in Denver and is set to launch his latest division, Cannliv Wellness, while opening a second South American office for his company in Buenos Aires, Argentina in 2018.



Ben Shoval

Finance Strategy Advisor

Ben Shoval is the founder and president of Shoval & Co., a real estate investment and development firm in Seattle, Washington. A graduate of the Wharton School at the University of Pennsylvania, Ben has diverse experience in technology, finance, and real estate. Early in his career, Ben developed and eventually sold a successful computer training company to a predecessor of Baker Tilly, a top 15 U.S. CPA and business advisory firm. Thereafter, Ben formed Shoval Asset Management, a licensed commodity pool operator and investment fund manager, raising capital for and providing advisory services to various investment pools for high net worth and institutional investors. After several years, Ben returned capital and profits to investors in order to focus on real estate investment opportunities. Today his firm, Shoval & Co., buys, develops, and manages real estate in the Pacific Northwest area of the United States.



[7] CANNABIUM TOKENS (CNAB)

The **Cannabium** tokens have been issued on the global, public Ethereum blockchain and adhere to the ERC20 token standard. These features allow the Token Issuer to leverage the existing Ethereum ecosystem while providing a bridge to on- and off-chain technologies that integrate more deeply into production processes.



Photo 5. Ethereum is a global platform for decentralized applications.

7.1. OVERVIEW

Cannabium tokens are issued on the Ethereum blockchain and adhere to the ERC20 token standard.

The symbol for Cannabium tokens is CNAB.

The registered Ethereum Name Service (ENS) for the Cannabium token contract is cannabium.eth allowing it to be viewed on ENS-compatible systems using that name in addition to its contract address. For example, on Etherscan at: <https://etherscan.io/address/cannabium.eth>

Cannabium tokens are directly associated with high quality cannabis extracts, in particular CBD. The form of the extract may vary depending on the product being purchased.

The target value of each Cannabium token is \$0.08 (or 8¢).

We anticipate that by Q1 of 2020, Cannabium tokens will be accepted as a means of payment at the initial Cannabium Shops™.



7.2. PRIVATE SALES EVENT RAISED OVER USD \$900,000.00

The private sale concluded by successfully raising over USD \$900,000.00 and initiating the funding of facilities construction for one of the backing partners.

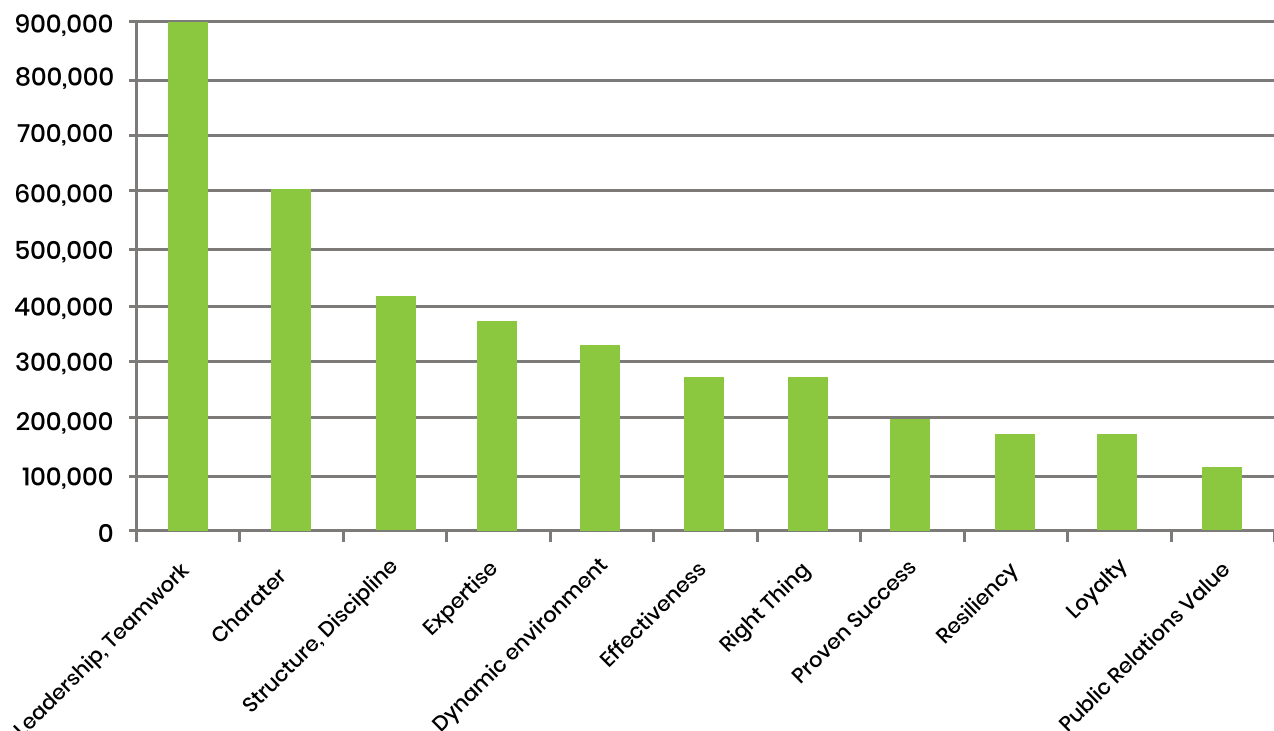


Figure 6. amount of funds raised

7.3. EXCHANGE SALE PLAN

We aim to list Cannabium tokens on an active and reputable token exchange. In that process the team reserves the right to sell additional tokens at below the target token value in order to generate additional funds for on-going technological and marketing investments.

• MINIMUM PURCHASE REQUIREMENT

The Token Issuer may impose a minimum purchase amount or other requirements during the exchange sale.



• PRICING

The Cannabium tokens will be priced in U.S. dollars. The tokens will initially be bought and sold in Ether (ETH), the base currency of the Ethereum blockchain, based on their then-current USD based price. The Token Issuer may, but is not required to buy and sell the tokens in other currency pairs, such as Bitcoin or Litecoin or others.

Payments received in other “currencies” will be converted to Cannabium based on then-current exchange rates with USD. The exchange rates are updated regularly so that they are designed to be within 1.5% of the median ETH-USD bid price across multiple crypto exchanges.

The initial exchange-based token sale price of tokens is estimated to be between US \$0.01 (1¢) and US \$0.02 (2¢), but may be either lower or higher based on the discretion of the Token Issuer and overall market conditions. The intention is that participants are granted a discount to entice participation and to increase the likelihood of some return on the investment in Cannabium to those who support it during its early stages.

While no return is guaranteed, the aim is to stabilize CNAB at a value around \$0.08 (or 8¢) and the Token Issuer or its agents may engage in market-making activities to help stabilize the token price after listing. In keeping with practices common in stock markets, those activities are intended to support the token while it reaches a natural stability as the market matures at which point the token’s price would be exchange-based. Unlike stock markets, the newness of a listed token may require such market-making for a considerable period of time.

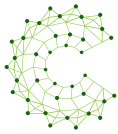
7.4. TRADING

Cannabium tokens are issued as an ERC20 token on the Ethereum blockchain. Neither the Token Issuer nor its partners runs an exchange, nor do they act in the capacity of a token exchange platform. All exchange-based buying and selling of Cannabium token shall be overseen by the designated exchange trading platform or protocol in accordance with the laws applicable to it and those who choose to trade on such platforms.

In addition, direct, decentralized exchange of Cannabium tokens may be conducted by token holders directly with others via any means available for such exchange of ERC20 tokens, including but not limited to blockchain-based token liquidity protocols such as Kyber Network.

7.5. OFFERING STRUCTURE

A maximum of 1,000,000,000 CNAB tokens will be issued during the entire sales and listing processes.



In keeping with the overall economic model of the token, and to encourage adoption, “mind share,” and to compensate active advisors and the team, while also keeping a reserve of tokens for unforeseen use, we anticipate at least 75% of all tokens issued will be from sales of the tokens either to early investors or from purchasers who buy the tokens for use to purchase products or for their own interests.

[8] RISKS OF PURCHASING TOKENS

Markets in emergent business areas may provide larger upsides than is common in the markets of established, exchange-traded products. Concomitant with this premise are increased risks.

The Cannabium token is “backed” by an emerging product, a product that is gaining worldwide acceptance but is not yet part of standard international trade. Some jurisdictions have only recently legalized export or import of the product and in some areas the product may still be a controlled substance.

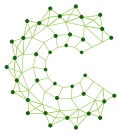
While the Token Issuer and its partners are intent on expanding the use and acceptance of the token, and thereby developing both the production capacity and the market for CBD, there are nonetheless definite risks being undertaken. Participating in this offering means not only sharing the potential upside of the tokens, but also taking on a portion of the risks as well.

All prospective purchasers of the tokens are hereby made aware of these risks and are cautioned to proceed only if they are financially willing and able to take them. Purchase of Cannabium tokens involves a substantial degree of risk, including the risk that the token holder may lose their entire purchase price.

This list of risks does not purport to contain all information relating to the tokens that may be material to potential token holders.

8.1. LEGALIZATION RISKS

The current global trend in cannabis-related products – and certainly in CBD – has been moving toward increased legalization. It is possible for this trend to reverse course and, should that occur, it would negatively impact the value and marketability of the CBD that constitutes part of the value the Cannabium token.



8.2. RISKS REGARDING SAFETY AND EFFICACY OF CBD OR OTHER MEDICAL CANNABIS PRODUCTS

No representation is made about the medical benefits of CBD or other medical cannabis products. There may be risks in relation to the safety and efficacy of CBD and other medical cannabis products.

8.4. GOVERNANCE RIGHTS

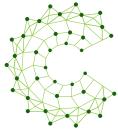
Because CNAB Tokens confer no control or governance rights of any kind with respect to the Token Issuer, all decisions involving the Token Issuer's products or services will be made by the Company at its sole discretion. These decisions could adversely affect the Company or one or more Cannabium Shops™ and the ability to use or redeem CNAB Tokens.

8.5. RISKS OF DEVELOPMENT OF THE CANNABIMUM SHOPS™

The value of the Cannabium tokens may depend on the success of one or more Cannabium Shops™ and on increasing the number of stores that accepts Cannabium. An individual marketplace's success relies on its ability to attract sellers and buyers of Cannabis extracts and retaining such customers. The benefit to Cannabium token holders relies in part on the marketplace's ability to incentivize participants to prefer Cannabium as a means of exchange. There is no assurance that the Cannabium Shops™ will be successful in doing so or that the current conditions which are driving demand for Cannabium will remain if international banking laws and practices change.

8.6. RISK OF LIQUIDITY OF CANNABIMUM TOKENS

A token is not a currency issued by any central bank or national, supranational or quasi-national organization, nor is it backed by credit nor is it a commodity in the traditional sense of that word. The Token Issuer is not responsible for the redemption or backing of CNAB Tokens on any market. No one is obliged to purchase any CNAB Token from any holder of the CNAB Token, nor does anyone guarantee the liquidity or market price of CNAB Tokens to any extent at any time. Furthermore, CNAB Tokens may not be resold to persons who are citizens, nationals, residents (tax or otherwise) and/or green card holders of certain restricted jurisdictions or to certain restricted persons or to persons in any other jurisdiction where the purchase of CNAB Tokens may be in violation of applicable laws.



8.7. RISKS RELATING TO BLOCKCHAIN REGULATION

Blockchain technologies have been the subject of intense scrutiny by various regulatory bodies around the world. The functioning of the Ethereum network, associated blockchain networks, and CNAB Tokens may be adversely impacted by regulatory actions, including restrictions or prohibitions on their use, purchase, or possession. Throughout the world, there may be various compliance obligations, such as the need for licenses or registrations, minimum net worth requirements, bonding, biographical and financial approval of officers and directors, and other ongoing compliance, examination, and reporting obligations. We do not intend to operate in any jurisdictions that require a license or registration to conduct a money services business, money transmitter or virtual currency business. If you are a resident of a jurisdiction that requires such licensing or registration, we will not allow you to receive CNAB Tokens.



NOTICES AND DISCLAIMERS

This whitepaper has been prepared for discussion purposes only by Marketplace Investors, Ltd., an Irish company (the “Token Issuer”). The information contained herein is subject to change. Please do not copy or disseminate any part of this whitepaper without including this disclaimer.

Nothing in this whitepaper shall be deemed to constitute a prospectus of any sort or a solicitation for investment, nor does it in any way pertain to an offering or a solicitation of an offer to buy any securities in any jurisdiction. This document is not composed in accordance with, and is not subject to, laws or regulations of any jurisdiction, which are designed to protect investors. No regulatory authority has examined or approved the information set out in this whitepaper. The distribution or dissemination of this whitepaper does not imply that such action has been or will be taken.

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NO ADVICE

No information in this whitepaper should be considered to be business, legal, financial, or tax advice regarding the Token Issuer, the CNAB tokens, or any other products. You should consult your own legal, financial, tax, or other professional adviser regarding the CNAB tokens and any other product.

LIMITATIONS ON PURCHASE OF TOKENS

Token Issuer reserves the right to approve or disapprove each purchaser and to accept or reject any purchase of CNAB tokens, in whole or in part, in its sole discretion.

Any purchase of CNAB tokens is speculative, involves a high degree of risk and should be considered only by sophisticated investors who are prepared to bear the economic risk of such purchase for an



indefinite period and be able to withstand a total loss of investment. Purchasers should carefully consider the risk factors described in this whitepaper and in the ToS, in addition to their own investigation and due diligence of the Token Issuer and the terms of any purchase

LIMITATIONS REGARDING THE WHITEPAPER

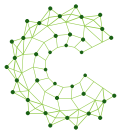
This whitepaper does not purport to be all-inclusive or to contain all of the information that a prospective purchaser may desire in investigating the Token Issuer and the tokens and the terms of any purchase, including the merits and risks involved in making a purchase decision with respect to the tokens.

Unless otherwise noted, the terms “the Company,” “we,” “us,” “our,” and similar designations in this confidential whitepaper refer to the Token Issuer which is selling the CNAB tokens.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This whitepaper contains forward-looking statements. Any and all statements contained in this whitepaper that are not statements of historical fact may be deemed forward-looking statements. Terms such as “aim,” “anticipate,” “assume,” “attempt,” “believe,” “can,” “could,” “continue,” “develop,” “envision,” “estimate,” “expect,” “forecast,” “future,” “goal,” “intend,” “likely,” “may,” “might,” “plan,” “potential,” “predict,” “probable,” “project,” “seek,” “projection,” “should,” “usually,” “will,” “would,” and terms of similar import (including the negative of any of the foregoing) may be intended to identify forward-looking statements. However, not all forward-looking statements may contain one or more of these identifying terms. Forward-looking statements in this whitepaper may include, without limitation, statements regarding:

- The plans and objectives of our management for future operations.
- The amount of CBD to be produced by primary producers.
- The ability of the planned marketplaces to attract buyers and sellers.
- The change in market prices of CBD.
- The use of CNAB tokens as a means of payment.
- The market value of CNAB on any exchanges.
- The assumptions underlying or relating to any statement described above.



Forward-looking statements are not meant to predict or guarantee actual results, performance, events, or circumstances and may not be realized because they are based upon our current projections, plans, objectives, beliefs, expectations, estimates, and assumptions, which are subject to a number of risks and uncertainties and other influences, many of which we have no control over. Actual results and the timing of certain events and circumstances may differ materially from those described in the forward-looking statements as a result of these risks and uncertainties.

We believe that it is important to communicate our expectations of future performance. However, events may occur in the future that we are unable to accurately predict, or over which we have no or limited control. We caution you against putting undue reliance on forward-looking statements or projecting any future results based on such statements. When considering our forward-looking statements, you should keep in mind the risk factors and other cautionary statements in this whitepaper which provide examples of risks, uncertainties, and events that may cause our actual results to differ materially from those contained in any forward-looking statements.

You should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement. Except as otherwise required by applicable law, we disclaim any duty to update any forward-looking statements, all of which are expressly qualified by the statements in this section, to reflect events or circumstances after the date of this whitepaper.

MARKET AND INDUSTRY DATA

Management estimates contained in this whitepaper concerning our industry and the markets in which we operate are derived from publicly available information released by independent industry analysts and third-party sources, as well as data from our internal research, and are based on assumptions made by us upon reviewing such data and our knowledge of the industry and markets in which we intend to operate, which we believe to be reasonable. Although we believe the data from these third party sources is reliable, we have not independently verified any third-party information. In addition, projections, assumptions, and estimates of the future performance of the industry in which we intend to operate and our future performance are necessarily subject to uncertainty and risk due to a variety of factors.