

Lab-Made Vs. Hemp-Derived: A Debate and Discussion on the Origin of Your Cannabinoids



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Cannabinoids come from multiple sources

Traditional Hemp



Hemp or cannabis
Pesticides, heavy metals, THC
High water, high energy, land usage
Low yield - 20 lbs hemp = 1 kg CBD

Biosynthesis



Yeast or E. coli fermentation Genetic engineering required Scaling is challenging Low yield - 500L to 1 lb CBD

Chemistry

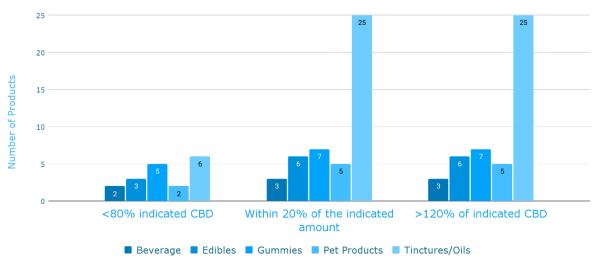


Off-the-shelf chemicals
High purity, no heavy metals, no pesticides
Sustainable, consistent
High yield - 75%-80%



CBD products are not living up to their promise

Mislabeling of CBD Infused Products in the United States



92%

of CBD products don't meet quality + claim standards*

84%

of CBD products contain heavy metals

66%

of CBD products aren't labeled accurately

Source: US FDA, 2020



Benefits of Cannabinoids from Chemistry

- Never touches the hemp plant
- No pesticides, heavy metals, lead and THC which can end up in finished products
- Guaranteed to have 0% THC
- Physically, optically and biologically identical
- Minor cannabinoids can be manufactured at scale most cost effective option

Purity

99.9% Pure CBD
GMP manufactured facility
No THC
No pesticides or heavy metals
No batch variability
Backed by science + data

Scalability

CBD made to order in a lab
Tons of CBD per batch
Ability to scale with demand
Not tied to agriculture

Sustainability

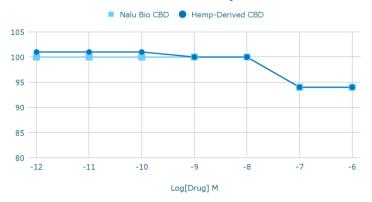
Less water
Less land
Less energy
Less biomass waste



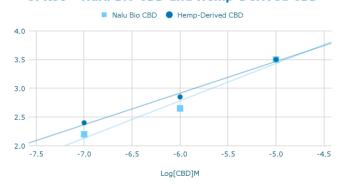
Chemistry is indistinguishable from hemp

- Scientists at Indiana University tested chemistry-based CBD against hemp-derived CBD
- Studied the impact on CB₁ and GPR5 receptors

CB1 - Nalu Bio CBD vs Hemp-Derived CBD



GPR55 - Nalu Bio CBD and Hemp-Derived CBD



- As predicted and expected, chemical and hemp-derived CBD are the same molecule
- Conclusion: Lab-made and hempderived CBD acts on endocannabinoid receptors in the same way



Chemistry is more sustainable than hemp-derived

Chemistry-based CBD uses...







... than hemp-derived CBD.

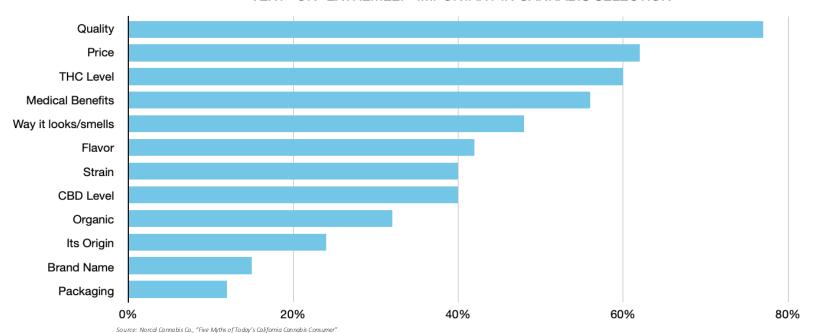


What is most important to consumers?

Survey of 1,500 CBD and Cannabis Consumers in 2019

Very important to consumers is Quality #1, Price #2, Medical Benefits #4

"VERY" OR "EXTREMELY" IMPORTANT IN CANNABIS SELECTION





Thank you!



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CBD Ingredients & Blends



Full Spectrum Distillate



Broad Spectrum Distillate



CBD Isolate



High CBN Distillate



High CBG Distillate



Certified
Organic
Full
Spectrum



Certified Organic Broad Spectrum





Minor Cannabinoids



CBN Isolate



CBC Isolate



CBG Isolate



THCV Isolate



CBDV Isolate



CBDA Isolate



CBT Isolate



CBGA Isolate



MIBiz[®]



Tinctures



Gummies



Softgels



Aerosols



Beverages & Enhancers



Oral Dissolving Tablets & Mints



Topicals



Drink Blends



Chocolates



Fruit Gems





- 1 Product Selection
 - Market sales data
 - Consumer trends
 - Product strategy

- 2 Cannabinoid(s)
 - Specifications
 - Volume
 - Pricing

- 3 Formulation
 - Desired effect
 - Ingredient selection
 - Testing

- Product Engineering
 - Infusion tech
 - Delivery systems
 - Flavoring

- 5 Manufacturing
 - Lead times
 - Fulfillment
 - Pricing

- Testing & Docs
 - Third-party COAs on all ingredients and finished goods
- Packaging & Mkg
 - Regulatory compliance
- Private label programs

Product Distribution

- Drop-shipping
- Distribution partners



Thank you!



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