

**Transcript of initial interview with  
Mr. Sheldon Aberman**



**Chief Cannabis Officer of  
Chemistree Technology Inc.**



**CA: CHM  
US: CHMJF  
GER: CM1**

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**Sheldon Aberman – Chief Cannabis Officer.** Sheldon Aberman, Sheldon has been involved with, managed and designed thousands of cannabis grows across the globe. His expertise and hands on approach to product development has created leading edge grow room designs that are ideal for commercial application. Before building a reputation as one of the foremost experts on cannabis cultivation, Sheldon spent his time building multi-million dollar brands including, Black Label and Frost Box. In addition to consulting and cultivation he also is an expert in the accessory market including vape pens, e-cigarettes, silicon mats, as well as extraction tools.

**Smallcaps Investment Research: Welcome everyone and thanks for tuning in to another interview on Smallcaps Investment Research. We're thrilled to sit down with Mr. Sheldon Aberman, the Chief Cannabis Officer of Chemistree Technology Inc. The Company is positioning itself to become one of the foremost players in the blossoming US cannabis industry. Chemistree Technology is listed on the Canadian Securities Exchange with ticker symbol CHM. Sheldon, thanks so much for joining us, welcome.**

Sheldon Aberman: Thanks for having me.

**As this is our initial interview, could you give us an introduction of Chemistree Technology and its activities?**

Absolutely. Chemistree Technology is a U.S. based integrated cannabis investment company. We have investments in cultivation through our Washington state facility. This is then sold through our in-house branch Sugarleaf. We also have a processing facility in northern California through a partnership in Humboldt County.

Last but not least we have a construction project focused on a huge greenhouse facility. We just kicked it off in Desert Hot Springs in California. We will ultimately have over 125,000 square feet of cultivation and a 40,000 square foot manufacturing facility for our Sugarleaf brand. Fully constructed, we will be generating sales of approximately \$35 million a year in cultivation alone. This does not include the manufacturing and distribution side.

**Terrific. As it is often the case with relatively young companies, the**

**management team really determines its success. Sheldon you were appointed Chief Cannabis Officer only a few days ago. Can you first tell us a little bit about yourself and your background in the cannabis industry?**

In total, I have 17 years of experience in the cannabis industry. I have participated in all aspects, be it consulting, construction of cultivation facilities, manufacturing, and global distribution of hydroponic equipment. I have hands-on experience in more than 27 countries ranging from Spain, Holland, Greece, New Zealand, Australia and obviously Canada. In the U.S. I have worked in Arizona, California, Colorado, Washington, Oregon, Michigan, and Nevada.

I hope to use that expertise at Chemistree to kick off a successful endeavor.

**Also Nicholas Zitelli, a.k.a. Nico Escondido, recently joined the Company's Board of Directors. Would you give us some more color on Mr. Zitelli?**

Nico Escondido, as we like to call him after his pen name, is a co-owner and Chief Cannabis Officer of the world-renowned magazine High Times.

For the last 15 years, he has overseen the magazine's cannabis competition and Cannabis Cup. Through that, he has collected genetic information on over 30,000 various strains that have been entering the process through the cannabis cup.

In addition, he revolutionized the competition by bringing it into the digital age through a digital scoring algorithm. He also simultaneously founded and launched the

Genetic Institute which is an open source public database consisting of more than 30,000 genomes known to the cannabis industry. He gives out access to this database for free for research purposes.

**Can you also shed some light on the other key executives of the Company?**

One of the other key executives is Justin Chorbajian. Justin is a co-owner of an independent chain of indoor gardening stores in Canada. He also owns a large-scale manufacturing and distribution company of hydroponic equipment and nutrients distributed globally in more than 20 countries.

He is generating somewhere north of \$60 million a year in annualized revenue with more than 70 employees. Justin brings 27 years of experience to the team and his business partner Steve brings 35 years of experience.

Another key founder is Dennis Hunter. Dennis is the founder and partner of CannaCraft, a Northern California based biomass extractor that produces several brands such as AbsoluteXtracts, Care By Design, and Satori Chocolates. Recently, his company CannaCraft also partnered with InBev. The cooperation is focused on high hops infused drinks that they distribute throughout the California market.

I have to say Dennis is an interesting globally-renowned fellow. He has been a large-scale producer of biomass, if not the largest in the United States, for quite some time.

In conclusion, I believe our team has a wealth of knowledge, and a wealth of history from the starting days of the cannabis industry here in North America.

**Wow. That is really impressive. Let's move over to the actual business. Chemistree Technology has already built out a number of operations in the United States as you referred to earlier. So, let us first cover Washington State. Can you**

**provide us some more details about your activities there?**

In 2018, we acquired a suite of Washington-based assets used in cannabis cultivation, production, distribution and branding. It was our first acquisition in the cannabis space, and it allowed us to become an investment issuer, focused on cannabis in the North American market sphere.

In addition, we acquired the Washington State I-502 Tier 3 producer/processor license from Sugarleaf Farm, LLC. We were able to acquire all these assets for about \$1 million dollars. We subsequently put in about \$0.5 million and turned it around in a year. The facility is now operating in the black.

The other key purpose of the transaction was to prove the ability of the Chemistree executive and management team. To prove that our standard operating procedures, policies, and management style and cultivation style can come together in a symbiotic way, turn the facility around and put real revenue to the bottom line. We succeeded in all of that.

**What is the potential in Washington State?**

As of now, the total potential in Washington State, is somewhere near \$3 million a year in annualized revenue. Again, this was more of a proving ground for us as the facility is relatively small.

However, through this acquisition we also secured an attached space to the existing facility. This could allow us to nearly double the size of that facility. We are currently in the decision-making process. We will see if we are going to expand our cultivation activities or if we are going to expand into beverage bottling and manufacturing. The latter would be done through a partnership with our other founders and partners.

**That's good to know. You have also started operations in California, the biggest cannabis market in the world. Would you describe your activities there?**

About six months ago, we acquired 9.55 acres of raw land ready to be developed into what will be a 128,000 square feet of greenhouse cultivation and a 40,000 square feet manufacturing and distribution center. We just finished a financing round to secure funding to build the first phase. This will be a 68,000 square foot greenhouse. It should be completed no later than Q1 2020. This should immediately contribute \$20 million to our bottom line in 2020.

**What are the next steps for Chemistree in California?**

I would love to tell you but as you know, a lot is proprietary. Hopefully in the near future, you will be able to see an ongoing deal flow and an announcement of large-scale acquisition of a national brand and multi-state operator.

**Do you have plans to expand into other regions as well?**

We do. A few days ago, we have made an investment into a New Jersey alternative treatment center. This will give us access to a vertically integrated manufacturing, cultivation and retail license in New Jersey. On the heels of that, we expect to execute an eastern seaboard expansion in the U.S. market. You will see us also enter into some form of arrangement in the Maryland market, which we are currently actively pursuing.

**When do you expect Chemistree Technology to generate its first revenues, and how do you see your financial results developing?**

Chemistree is already generating revenue through our Washington 502 asset acquisition. As I said earlier, we turned the company around and have them in black.

As our deal flow and acquisition flow continues, 2019 revenues will continue to expand. If we are successful in closing our next round of M&A, you will see revenues take a serious step forward. We expect north of \$10 million in 2019 and project 2020 revenues in excess of \$30 million.

**That is good to know. You are obviously well experienced in the cannabis industry. How do you look at the softening legislation in the US concerning cannabis?**

I have definitely served my time in the cannabis industry. I witnessed the change from the black market, to the gray market, to now the legal cannabis market. In the U.S. over the last 15 years we have watched state by state come on board.

Yet the federal government still has not changed their standpoint on illegality. However, what we have learned is that, you can't stop the train. We understand the medical benefits of marijuana and hemp derived CBD. I think that speaks volumes in all languages. The states will continue to regulate, which is what the people want.

We definitely know that sooner or later, the federal government will stop its crackdown and focus on legalization and regulation. It will get the money off the street and start to hinder the black market. I expect large scale developments coming from the U.S. government in the next 24 to 36 months. If not prior to the election.

**What's your outlook for Chemistree Technology for the next 12 months?**

You are going to see some huge things coming out of Chemistree in the next year. We are contemplating several large scale M&A. We expect our expansion into the eastern seaboard. We are also going to come in with our California facility with large scale revenues.

Bottom line is that what you are going to see in Chemistree is here to stay and poised to do well. By the end of the year, people will be saying we are the next Canopy, or any other large player currently in the market.

**Before we go, can you summarize the key points of interest of Chemistree Technology, and tell us why investors should consider buying shares of the Company today?**

I am glad you asked. Chemistree is a well-financed organization with experienced management and nothing but huge U.S. growth potential. We have decades of industry relationships. There is nothing but upside to experience through our staff of industry veterans.

**Fantastic. Sheldon, we really appreciate the time you've taken to speak with us today. All the best to you and Chemistree Technology, and I look forward to speaking with you again soon.**

It has been a pleasure. Thanks for having me.

## **Interview Feedback**

We welcome your questions and feedback regarding this interview at: <https://smallcaps.us/cco-sheldon-aberman-reveals-what-makes-chemistree-technology-a-foremost-player-in-the-blossoming-u-s-cannabis-industry>

Transcripts are edited for clarity.

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Twin Squares  
Culliganlaan 1  
1831 Brussels  
Belgium  
Tel. +32 (0)2 808 58 41  
E-mail: [contact page](#)

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