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www.intgold.com.au

Company Announcements Office
Australian Securities Exchange
Level 6, 20 Bridge Street
SYDNEY NSW 2000

Via E Lodgement

IGS to acquire Global Cannabis Innovator Winter Garden Biosciences

International Goldfields Ltd (ASX: IGS) ("IGS" or the "Company") is extremely pleased to announce that it has entered into a binding HoA to acquire an 85% interest in Winter Garden Biosciences ("WG" or "Winter Garden"), a leading biosciences and pharmaceutical company based in Uruguay.

The HoA is subject to shareholder approval and the satisfaction or waiver of a number of conditions precedent. The conditions precedent are outlined in the Transaction Summary attached to this announcement.

BACKGROUND

Winter Garden is an advanced developer of mass market non-synthetic cannabis products, and is focused on the production of cannabis extracts, derivatives, delivery systems and related intellectual property for sale into the rapidly growing international marketplace for therapeutic medicinal cannabis products.

WG possesses a significant edge over other cannabis companies because of its first mover advantage and strategic base in Uruguay. Uruguay recently became the first nation in the world to fully legalise under its federal regulatory system the research & development, as well as cultivation, distribution, sale and consumption of non-synthetic cannabinoids and hemp.

Laws outside of Uruguay prohibit growth and research on hemp with a THC content of more than .03%. This has altered every aspect of the plant to the point that it offers almost no useful research benefits. As a result only synthetic plants can be utilised in R &D and these are ineffective and inadequate for both research as well as pharma-grade medical applications.

The unique character of Uruguay's cannabis laws, the Company's existing licenses as well as world-class R &D and production facility give WG advantages not available to any other company focused on the development and sale of cannabis, and cannabis related products.

BOARD

Michael Edwards
Chairman

David Tasker
Director

Travis Schwertfeger
Director

COMPANY SECRETARY

Jane Flegg

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KEY ADVANTAGES

WG is currently the only company globally that:

- is licenced and permitted, under Federal Uruguayan law, to conduct Research and Development on the natural levels of THC and Cannabinoids;
- can perform invivo, invitro, clinical and phase 3 clinical trials as well as patent the resulting products in a matter of months;
- is permitted to register and patent its entire product line (including plant varieties, extraction methods and delivery systems) to create a fully licensable and patent protected product lines,
- can patent Process IP, Formulation IP, Tech IP, Pharma IP, Nutritional model IP Strain IP, Extraction IP, Extract IP and Delivery System IP in a timeframe and at a cost significantly less than competitors,
- can scale-up production of its extract, derivative and delivery products in its private laboratory, greenhouse and farm, including its vacant seed process facility, within months.
- has licences that allow for the import and export of cannabinoid products,

PRODUCT LINE FOCUS

WG will utilise the systemic advantages of Uruguay's favourable regulatory regime as well as its expertise and world-class facilities to achieve revenues through both the export and sale of its products, as well as the international licensing of its products.

The company will initially focus on two distinct product lines for both humans and animals:

Strains

1. The development and production of proprietary, hemp-based CBD-rich strains to target specific illnesses, medical conditions and other market segments; initial focus on Top 5, namely:

- Neurological Pain / Neurodegeneration / Palsy
- Anti-Tumor / Anti-Metastatic
- Anti-Inflammation
- Anti-Nausea
- Anti-Depression/PTSD

It is anticipated that within 6-12 months the company will be in a position to produce these strains on a commercial scale.

Delivery Systems

The company is designing delivery systems ranging from low tech (i.e. the marijuana edible) to high tech, pharmaceutical applications.

WG's team has made significant strides utilizing micro encapsulation and emulsion technology to commercialise a cutaneous delivery system, similar to a Nicotine patch that will provide slow-release, controlled dosing of cannabinoids that are discrete and odourless; various formulations can be created to target specific ailments.

It is anticipated that within 12-18 months the company will be in a position to produce these delivery systems on a commercial scale.

On the signing of the agreement to acquire Winter Garden Mr. David Tasker, IGS Director said, "This agreement will create an opportunity for IGS shareholders to realise value from one of the fastest growing pharma industries in the world – medical and therapeutic cannabis.

"Winter Garden will rapidly advance these next generation products which are designed to target specifically the symptoms in many major areas of critical care and human illness."

Mr. Julian Strauss, Winter Garden MD stated:

"The unique combination of our experienced team, our world-class facilities, the support of the Uruguayan regime, as well as our global relationships should enable us to bring these important products to market in record time at a very favourable cost, well ahead of competitors, and patented from start to finish to protect our shareholders and stakeholders."

FACILITY



Winter Garden's headquarters are based at a world-class production and research facility in Uruguay. The facility is located in the Polo Tecnológico - PCTP (Tech Zone) and is the only private laboratory in Uruguay registered for full-spectrum cannabis analysis and research and is fully equipped to develop pharmacological products, nutritional products and nanotechnology-based products in agreement with Polo Tecnológico - PCTP (Tech Zone) of the Chemical School (National University - UDELAR), Facultad de Ciencias (Science School) (National University - UDELAR).

The Facility includes:

- Farm expandable to 1,000 acres with three growing seasons annually and year round sunlight
- A 5,400 sq. ft. Greenhouse for seeding cultivation
- Laboratory & Factory for manufacturing

The facility also houses a state-of-the-art cell tissue lab, phytotron for genetic stabilisation and registration, and in-house patent office. This is the only lab in the country that allows for formulation and full spectrum cannabinoid research

WG currently possess the only research license in the country for a private laboratory and has the only hemp farm with seeds, and a research platform to export a standardised product with qualitative and quantitative metrics on the product that can be tailored to any country in the world for research or development.

PEOPLE

Winter Garden has assembled a globally significant executive and technical team led by Managing Director, Mr. Julian Strauss. Mr Strauss is a pioneer in hemp cultivation and medicinal extractions.

He obtained a Medical Marihuana License and a Marihuana Producing License from the government of Canada in 2007 and 2006 respectively. He has also worked with Yorkton and Hudson Bay Health authorities providing quality health products from medicinal applications.

IGS and its advisors are in discussions with the ASX and working closely with their legal and corporate advisors are finalising all regulatory documents required to complete the transaction with Winter Garden. It is expected a Notice of Meeting will be dispatched to shareholders in the coming 2-3 weeks and subject to shareholder approval, and required ASX approvals and waivers, the transaction should complete in approximately 8 weeks from today's date.

A definitive capital structure and time-table will be determined following completion of due diligence, an outcome on the liquidation of some or all the securities held by the Company in Santa Fe Gold (9.3m listed securities with a current market value of approx. A\$1.8m), etc. This information, once finalised, will be included within the Notice of Meeting. An indicative structure and timetable is set out in Annexure A.

TRANSACTION SUMMARY

- i. IGS has a 90 day exclusive option to acquire 85% of Winter Garden by way of equity offer to existing Winter Garden Shareholders;
- ii. AUD325,000 deposit (50% as option fee, 50% as 6 month interest free unsecured loan) payable to the shareholders of Winter Garden;
- iii. IGS has completed a short term (6 month) funding facility of AUD\$500,000 to fund currently working capital and the deposit. The facility is convertible in to IGS Shares and Options at \$0.0025 (with a 1 for 2 \$0.0025, 2 year option) subject to all necessary regulatory and shareholder approvals being obtained;
- iv. subject to the satisfaction (or waiver) of the Conditions Precedent, the consideration for the acquisition of an 85% interest in the issued capital of Winter Garden (Jardin De Invierno SA) shall be the issue of 1,500,000,000 fully paid ordinary shares in the capital of IGS (Consideration Shares) at a deemed pre-consolidation issue price of \$0.005 per Share to be issued to the Winter Garden vendors. At all times the Consideration Shares will represent a minimum of 50% of the total enlarged capital structure of the Purchaser post Completion and will be adjusted accordingly.
- v. Completion of the acquisition is conditional upon the satisfaction (or waiver) of the following conditions precedent within the 90 day exclusive option period :
 - a) IGS receiving a letter from the ASX confirming that the ASX will re-admit IGS to the official list of the ASX, subject to the satisfaction of certain conditions set out in the letter, on terms acceptable to IGS and the Winter Garden;
 - b) each Winter Garden shareholder entering into a formal share sale agreement with IGS (Formal Agreement) incorporating customary warranties and other terms and conditions;
 - c) IGS raising a minimum of \$1,000,000 (or such other amount as required to meet the assets test and re-admission criteria of the ASX), through the issue of IGS Shares at a price to be determined by IGS and Winter Garden (Capital Raising), with a minimum net proceeds to

IGS of \$1,000,000 at closing incorporating the Capital Raising and / or the sale of some of the other assets of the Company (e.g. 9.2m Sante Fe Gold Inc. Shares (OTC:SFEG), USD4m loan owing from Sante Fe);

- d) IGS conducting a share consolidation in accordance with the Corporations Act 2001 (Cth) (Corporations Act) at a ratio the Parties consider reasonably necessary to allow the IGS to successfully complete the Capital Raising and ASX Re-Admission criteria(Consolidation);
- e) the Parties obtaining all shareholder, statutory and regulatory approvals necessary to undertake the Acquisition or that are reasonably required by IGS;
- f) the Parties obtaining, in a form reasonably satisfactory to the IGS, all third party consents or waivers which are, in the opinion of the IGS, necessary or desirable to complete the Acquisition (including but not limited to confirmations or waivers of the ASX Listing Rules); and
- g) the Vendors entering into restriction agreements (and where necessary their controllers) in relation to the Consideration Shares to the extent required under Chapter 9 of the ASX Listing Rules (if applicable) (Restriction Agreements).

(together, the **Conditions Precedent**).

For and on behalf of the board



David Tasker
Director

FOR FURTHER INFORMATION, PLEASE CONTACT:

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Annexure A

Indicative Capital Structure- Subject to Finalisation

Description	Ordinary Shares	Options
Current Issued Capital	774,691,817	70,950,640 ⁽¹⁾
Debt conversion	166,666,667 ⁽²⁾	166,666,667 ⁽²⁾
Debt conversion	200,000,000 ⁽³⁾	100,000,000 ⁽³⁾
Total after Debt Conversion	1,141,358,484	337,617,307
Securities to be issued pursuant to the Transaction	1,500,000,000 ⁽⁴⁾	
Compliance Capital Raising	100,000,000 ⁽⁵⁾	
Total securities after transaction	2,741,358,484	337,617,307

- (1) Comprising:-
- 14,000,000 unquoted options exercisable at \$0.08 on or before 31 December 2015;
 - 37,100,000 unquoted options exercisable at \$0.01 on or before 30 September 2016;
 - 5,000,000 unquoted options exercisable at \$0.03 on or before 30 September 2016; and
 - 14,850,640 unquoted options exercisable at \$0.03 on or before 30 September 2017
- (2) conversion at \$0.0015 with a 1 for 1 options (2 years, \$0.0015)
- (3) conversion at \$0.0025 with a 1 for 2 options (2 years, \$0.0025)
- (4) 100% acquisition of Winter Garden - \$7.5m
- (5) Assumed minimum Compliance capital raising \$1m at \$0.01
- (6) In addition to Winter Garden, key assets of IGS also include 9.2m Sante Fe Gold Shares (current valuation of AUD\$1.92m), debt due from Sante Fe Gold of USD\$4.4m and a 35% interest in the Ouro Paz Brazilian Gold joint venture.
- (7) The capital structure post compliance with Chapter 1 and 2 is still to be determined based on the disposal process in Note 6 above and relevant consolidation if required.

Indicative Timetable

Complete due diligence	15 May 2015
Purchaser provides Option Exercise Notice	15 May 2015
Execute formal agreements	15 May 2015
Despatch Notice of Meeting	22 May 2015
Lodge Prospectus	17 June 2015
Meeting of Shareholders	22 June 2015
Closing date of Capital Raising under Prospectus	3 July 2015
Complete Acquisition	17 July 2015
Re-instatement to trading on ASX	22 July 2015



Lodgement of Q&A Insight

Attention ASX Company Announcement
Platform

ASX Announcement: 1 May 2015



Interview with Director, International Goldfields Limited

In this interview, David Tasker (Director) of International Goldfields Limited (ASX: IGS) provides an overview of the recently announced acquisition of Winter Garden Biosciences, "WG" or "The Company".

Record of interview:

Q: Can you give us some background as to how Winter Garden was formed and what key events led to its development?

Julian Strauss has been working in the Biosciences and technology sector from within the Marihuana Medical Access Regulations ("MMAR") and producer licence in Saskatchewan, Canada for eight years. His experience and company in Canada was researching and focusing on hemp for medical research and Heirloom cultivars that needed a medical license to produce alongside his conventional hemp crops and marijuana research. His company eventually hit a regulatory wall that could not be surpassed in Canada or any other jurisdiction in the world. Due to focusing on Genetics and protein expressions in extracts and plants that would require full drug licensing to pursue, he began looking at options in Uruguay where, in my opinion, there is the only framework in the world to research and develop for patents / genetic registration entire product lines including plant varieties, extraction methods and delivery systems in order to create fully licensable and patent protected solutions.

Q: So Uruguay became the focus, can you provide readers with some background as to the uniqueness of the Country when looking at the research and development of medical cannabis solutions?

Uruguay unlike any other country has a federal regulatory system for research and development of cannabinoids and Heirloom hemp, Older varieties of hemp have tremendous value for seed, ballast, fibre, flower and soil reclamation research and development. In the west they have chemically altered the composition of hemp to have very little commercial value by shortening the plant and breeding the chemicals out of the plant while trying to reduce the THC. The below 1% THC level is considered to be non-psychoactive but the DEA and FDA have lobbied the world to reduce that number to 0.03%. This has altered every aspect of the plant and it now requires more fertilisers and pesticides and is predacious on the soil while offering little research benefits for chemical expressions.

Uruguay can use plants that no other country can use and due to its federal licensing and regulations can apply its Golden Patent history to this new industry. WG can also patent formulation and concentration while scaling to real production and, due to the legislative framework, is able to be applied in Biotech financing and real research to an industry that currently has significant limitations to research and development.

Winter Garden has a 15 acre farm to begin controlled and natural condition farming and production with an additional 1000 acres to expand and scale production when WG have registered the base oil, seed extract and fibre products. WG's key assets include a cell tissue lab, controlled cultivation environment, phytotron, 200m² growth chambers, state of the art private lab, factory for manufacturing and a farm on license to scale to commercial levels of production. The strategic assets are entirely suitable for the envisaged rapid growth of Winter Garden.

WG have the only Hemp farm with seeds in the country and a research platform to export a standardised product with qualitative and quantitative metrics on the product that can be tailored to any country in the world for research and development.

Q: A lot of other listed companies are also focusing on the research and development of cannaboids ("CBD") – what in your opinion makes Winter Garden unique in its approach and greater chances of development and discovery success?

All companies working with CBD have multiple barriers to research and much diminished production when we are speaking of real heirloom or high chemical composition cultivars which are, in simplistic terms, the key to successful science. Most CBD's on the market have limited quality assurance or best management practice due to the cost and legality of scientific equip and the drug licenses needed to actually fund without a proper legal framework. Without a lab and production facility you are left with a substandard product that needs to be refined and characterised. Winter Garden does in house for real cost benefit advantages.

The Company believes its ability to register genetics, produce on scale, synthesise for development, ship a standard product and apply the rigours of science to CBD are key points of difference. Full spectrum products are what Winter Garden does and the Company has the ability and licenses to produce the only true American Herbal Products Association ("AHPA") and International Conference on Harmonization ("ICH") level of product in the market.

Q: Why is there such interest in medical grade cannabis and potential treatments for a number of significant ailments?

The market has an enormous vacuum due to deregulation and science and theory validating hypothesis. The market now has few key majors whose costs are burdened due to regulations and farming out a lot of the equipment and technologies. The industry is in its infancy and WG is in the unique position to research and innovate while generating the kinds of revenue usually delegated to the tech industry. WG can research all the cannabinoids and terpenes and flavonoids present in Cannabis while developing proof of concept to validate the research in pharma expressions and medical delivery devices. It is important to note that the tech being developed is not only applicable to Cannabis, it is perfectly suited to all drug development going into the next two decades.

Q: Can you tell us about where Winter Garden will focus in terms of commercially exploiting its unique research and development position in Uruguay?

The Company will initially focus on 2 distinct product lines for both humans and animals:

Strains

The development and production of proprietary, hemp-based CBD-rich strains to target specific illnesses, medical conditions and other market segments including:

- Neuropathic pain; central nervous system analgesic
- Neurodegeneration; Parkinson's, MS. Mean \pm Standard Deviation (SD) score for Parkinson's altered from 13 at base to 10 after consumption. This was a McGill study and used poor quality and poor quality assurance on raw material. With extracts, properly concentrated and administered the alterations are far more pronounced.
- Palsy; Analgesic, documented and overwhelming support from all around the world. The issue is regulatory in nature but a wealth of evidence exists and citations are many. Clinically shown to slow neuro synaptic responses in the brain and soothe the oncoming symptoms to assist in prevention of future seizures
- Anti-tumoral; shown to stop feeding white blood cells to metastasizing cells and assist in a non-necrotic death
- Anti-metastatic; cannabis is an Immunol suppressant and validated even by the FDA for its anti-proliferate effects on tumors
- Anti-inflammation: long used for this property, it is known that THC has these properties and there is much science to demonstrate this effect. The main stumbling blocks are legislative and regulatory
- Anti-nausea; cannabinoids have been used to cure Wasting disease for AIDS patients, this is the first legal pharma compound produced and sold. Well established and understood. The issue being tackled is the psychoactive effects and marginalizing or ameliorating these said effects. We are producing an antagonist protein from the hemp plant that we can release previous to the target compound that will block CB1 receptors and are on our way to development within the framework of our labs and agreements
- PTSD/Depression; the focus here is Vets around the world and joining the research groups to offer a standard and certified product for trial that will revolutionize the research industries around the world and take away the cultural hurdles that inhibit the Vets from their medicine by producing a FDA and European Union ("EU") approved product that can manage dosing and quantitative issues with dried cannabis and Sativex.

It is anticipated that within 6-12 months the company will be in a position to produce these strains on a commercial scale.

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Delivery Systems

The company is designing delivery systems ranging from low tech (i.e. the marijuana edible) to high tech, pharmaceutical applications.

Winter Garden's team has made significant strides utilising micro encapsulation and emulsion technology to commercialise a cutaneous delivery system, similar to a Nicotine patch that will provide slow-release, controlled dosing of cannabinoids that are discrete and odourless; various formulations can be created to target specific ailments.

It is anticipated that within 12-18 months the company will be in a position to produce these delivery systems on a commercial scale.

Q: *In addition to the above research and development targets, are there any other key short term milestones to Winter Garden?*

Other short term milestones include Seed process IP and engineered Oil and flower, High composition and chem profile full spectrum CBD nutritional formula, Agricultural rotational crop development, fibre research and development.

Another highly exciting aspect of our company is Lab services; WG will start with genetic registration for third parties then move on to Cultivar specific developments through joint ventures with other companies in the industry and Biotech sectors. The work and IP, license generation including royalty creating here is a bottomless well. How WG proceeds will be determined by the market and strategic partnerships with the state and corporate affiliates.

What makes Winter Garden so very special is the ability to actually do the work in house, immediate access to all equipment, ability to actually produce the materials on a scale that has a value beyond rhetoric and hypothesis.

Q: *Can you tell us a little about the team you have assembled to ensure Winter Garden can fulfil its business development objectives?*

WG have put together a team of experienced PHD's and professionals that will underpin Cannabinoid research both for pharma and nutritional model going into the future. Due to the unique window of time that Uruguay has opened for itself in Biosciences and biotech, the Company have the full team to develop the tech, patents, genetics, production lines and licenses that will allow the time and development needed to ensure our brand is secure and valued around the world before other western countries and research teams with drug licenses can begin to enter the market and deal with the regulatory barriers that have not even been drafted for their respective countries.

Julian Strauss has vast experience in hemp cultivation and medicinal extractions. He obtained a Medical Marihuana License and a Marihuana Producing License from the government of Canada in 2007 and 2006 respectively.

WG's personnel includes professionals who are in charge of the standardisation and protocols for research in trials and development of industrial hemp. The Company will create accredited in house

protocols for harvest, extraction, laboratory work and research specs, as well as lab build out, research overview, DNA, seed registration and breeding programs.

Q: *Who would be comparable to Winter Garden that trades in the public markets?*

From our perspective the only company that has gone down the path that Winter Garden is establishing and planning to roll out in the next 12 - 24 months is GW Pharmaceuticals listed in London. They currently have a 1.4 billion GBP market capitalization.

GW is a significant biomedical company with a delivery system product that was developed over a number of years in a number of jurisdictions.

Winter Garden believes that it is uniquely placed with all permits and licenses to do the full spectrum of work and production in one country, under one roof. One key facet of the Winter Garden business model is to patent multiple delivery systems and bring pharmaceutical grade CBD products to market in an expedited time frame on a go-forward basis at a significantly lower comparable cost of research and development.

Q: *And to finish off, briefly describe the size of the market space we are talking about and Winter Garden is working in?*

The reality is that the global market for major illnesses is our market. The range of cannabinoids and variations that we expect will be increasingly prescribed in years to come means that we really are targeting the pharma market as it applies to those maladies that are impacting the aging baby boomers. It is a \$1 trillion market.

(source <http://www.reuters.com/article/2014/11/20/us-pharmaceuticals-study-spending-idUSKCN0J40AC20141120>)

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Further information:

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Forward-Looking Statements:

Q&A Insights includes "forward-looking statements" as that term within the meaning of securities laws of applicable jurisdictions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond International Goldfields Limited's control. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this presentation, including, without limitation, those regarding International Goldfields Limited's future expectations. Readers can identify forward-looking statements by terminology such as "aim," "anticipate," "assume," "believe," "continue," "could," "estimate," "expect," "forecast," "intend," "may," "plan," "potential," "predict," "project," "risk," "should," "will" or "would" and other similar expressions. Risks, uncertainties and other factors may cause International Goldfields Limited's actual results, performance, production or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results, performance or achievements).

Readers are cautioned not to place undue reliance on forward-looking statements. We assume no obligation to update such information. The information concerning production targets in this announcement are not intended to be forecasts. They are internally generated goals set by the board of directors of International Goldfields Limited. The ability of the company to achieve these targets will be largely determined by the company's ability to secure adequate funding, implement mining plans, resolve logistical issues associated with mining and enter into off take arrangements with reputable third parties.

International Goldfields Limited confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the Exploration Results in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Winter Garden



Biosciences
R+D+I

May 2015

Introduction

Winter Garden is a biosciences company focused on the production and development of **cannabis extracts, derivatives** & related **intellectual property** for sale into the rapidly growing international marketplace for cannabis products.

- The Company will utilize its state-of-the-art facilities and seasoned team to produce its products and intellectual property which may then be commoditized for both **recreational** and **medical** purposes.
- The Company has strategically chosen to base its operations in **Uruguay**. Uruguay recently became the first nation in the world to fully legalize under its federal regulatory system the research & development, as well as cultivation, distribution, sale and consumption of non-synthetic cannabinoids and hemp.

Our Vision



WG is poised to become a world leader in the development, production and sale of cannabis derivative products for recreational, medical and pharmaceuticals applications.

Laws outside of Uruguay prohibit growth and research on hemp with a THC content of more than .03%. This has altered every aspect of the plant to the point that it offers almost no useful research benefits. As a result other companies can utilize only synthetic plants in R & D and these are ineffective and inadequate for both research as well as pharma-grade medical applications.

WG will utilize Uruguay's favourable regulatory regime to patent its vertically integrated product line to protect market share and earn additional revenue through licensing.

Cannabinoids

Cannabinoids are the active chemical compounds found in marijuana, primarily **THC** and **CBD**

THC (*Tetrahydrocannabinol*) is associated with management of pain, nausea and lack of appetite in AIDS and cancer patients; and symptoms of Multiple Sclerosis and Glaucoma. THC is the psychoactive component in marijuana and is generally associated with the “high” of marijuana consumption

CBD (*Cannabidiol*) is associated with management of neurological disorders such as epilepsy, seizures,; movement disorders such as Parkinson’s, Huntington’s, ALS, Alzheimer’s and MS. CBD is particularly effective in treating children as it does not produce the “high” associated with THC

Why Hemp?

By producing “hemp” rather than “marijuana”, WG can produce a high volume of CBD rich extracts which are in high demand in legal marijuana markets

- Hemp is an variety of cannabis which has been developed for industrial applications and large-scale farming, traditionally for fibers and seeds
- CBD contents are now known to be a highly valuable compound for medical and recreational application.
- In addition, Uruguay's hemp regulations allow for more flexibility in strain selection, resulting in a superior crop for extraction of cannabinoids such as THC and CBD.

Why Uruguay?

- **Favourable marijuana regulatory regime:**

- Very little regulation of THC content in Hemp cultivation, allowing for selection of superior varieties and extraction of both THC and CBC compounds
- Permissible to use “heirloom” cannabis varieties which possess natural cannabinoid profiles, not altered by breeding and/or GMO processes

- **Favourable patent regime:**

- Patents in Uruguay can be obtained more quickly and cost-effectively as compared to North America & Europe
- Combined with favourable marijuana regulations = WG may seek patent protection over entire vertically integrated product line

- **Low cost of jurisdiction:**

- Labour costs are approximately ¼ of North American labour
- Agricultural costs are on average 90% lower than North America

The Uruguayan Advantage

Uruguay's favourable marijuana regulations and patent regime make it the ideal jurisdiction to develop marijuana based intellectual property:

Action	Uruguay	United States
Register MJ genetics	\$300,000	Laws prevent genetic research & IP development
Patent cultivation methods	\$350,000	\$500K-1m e.g. Bio Cube: \$800K + 2 years with no patent
Patent extraction methods	\$350,000	\$1-2m e.g. Naturally Splendid + 4 years with no patent
Patent Delivery Systems	\$1,500,000	Up to \$150m e.g. Sativex = \$150m + 7 years to obtain patent

The Flagship Facility

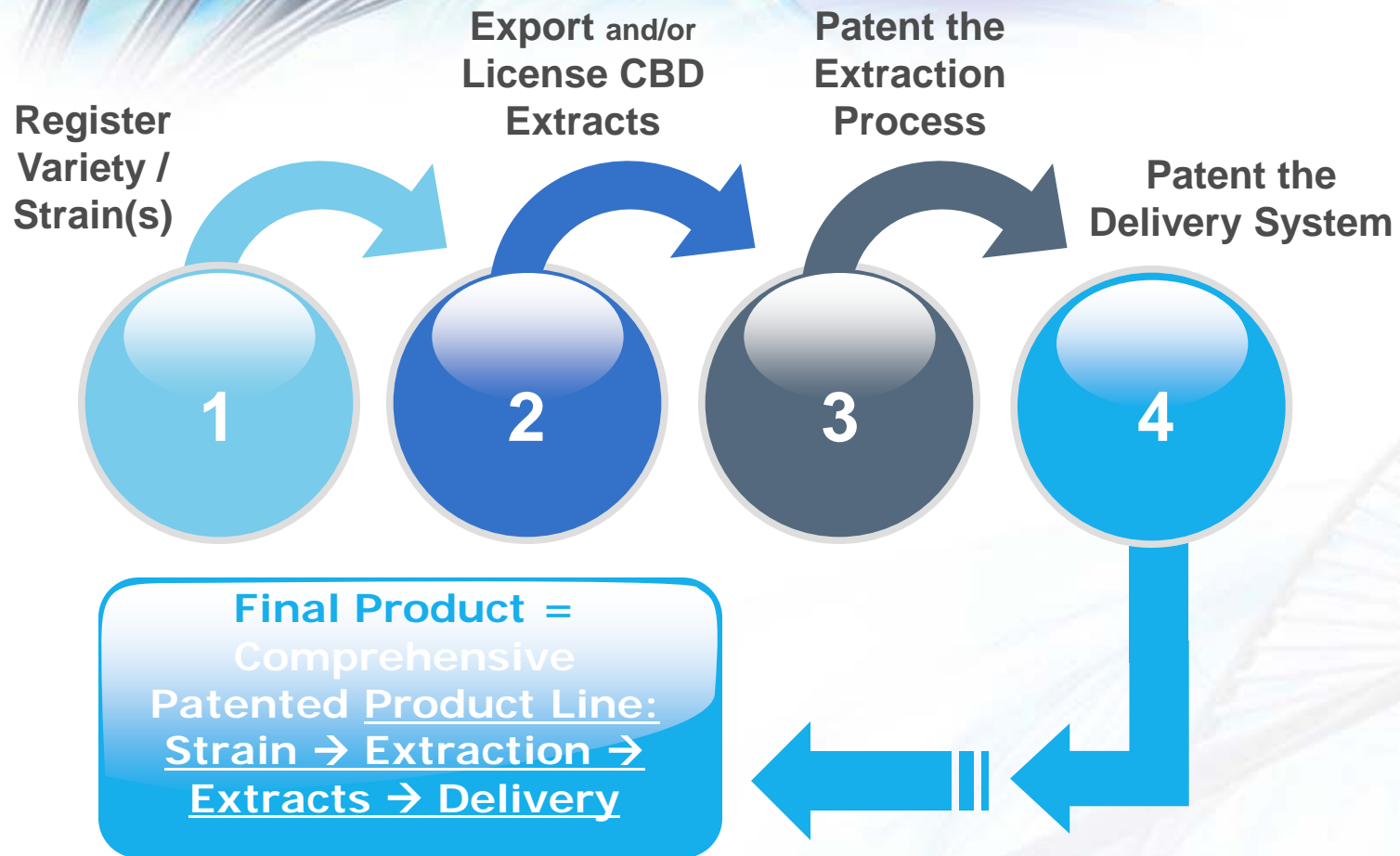
WG's flagship facility is located in Uruguay in the Polo Tecnológico - PCTP (Tech Zone). WG will benefit from favourable marijuana and patent regimes, and a low cost location for production. The Facility includes:

- **20 Acre Farm** (capability of expanding to 1000 acres)
- **A 5,400 sq. ft. Greenhouse** (currently being installed)
- **State-of-the-art lab and in-house patent office.** This is the only lab in the country that allows for formulation and full spectrum cannabinoid research



Comprehensive & Proprietary Product Line

For personal use only



Business Line #1: *Patented Strains*

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- Develop **proprietary**, hemp-based **CBD-rich strains** to target specific **illnesses, medical conditions** and other market segments;
- Strains will be produced on a **commercial scale** by WG:
 - **Products** can be **exported for sale** where legal; and
 - **Intellectual property** can be **licensed internationally**
- Patent protection ensures revenue streams by preventing reverse engineering or unlicensed cultivation



Key: The Company benefits from Uruguay's favorable patent regime and cannabis regulations. Resulting competitive advantage provides lower time and capital requirements to obtain patented CBD-rich hemp varieties.

Business Line #2: Patented Extraction Systems

- The Company will **develop** and **patent** innovative methods and systems to **extract** cannabinoids (**THC** and **CBD**) from marijuana plants
- Research will be done using the world leading, on-site research lab to **increase output** of extractions, **improve shelf-life** and **decrease costs**
- Extractions can be **exported** or sale where legal
- Extraction methods can be **licensed** for additional revenue

Business Line #3: Patented Delivery Systems

Great market potential for development of delivery systems:

- Global leader GW Pharmaceuticals traded on the LSE has \$2B market cap based on a **single delivery system** and regulatory restrictions require its operations to be split between 3 countries
- The Company will take advantage of Uruguay's favourable regulatory regime and its world leading laboratory to develop and patent **multiple delivery systems**.
- Delivery systems range from low tech (i.e. the marijuana edible) to high tech, pharmaceutical applications
- Two revenue streams: export of extracts using our delivery systems & licensing of delivery systems

The Booming Edibles Market

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- Market studies demonstrate that marijuana edibles are on a massive growth trajectory
- National legalization of marijuana in the US is estimated to create a USD\$36 Billion edible market place (source: Arcview)
- In 2014, Colorado alone sold 4.8 million marijuana edible products (source: Time Magazine)
- The Company benefits from favourable laws allowing the export of CBD extractions not available in other jurisdictions



Growing Pharma Applications

The medicinal value of cannabinoids in treating serious illnesses is increasingly being recognized and accepted in studies globally

- Neurological Pain & Degeneration
- Anti-Tumor / Anti-Metastatic
- Anti-Inflammation
- Anti-Nausea
- Anti-Depression/PTSD

As doctors begin to prescribe low-risk CBD based treatment regimes more and more, cannabinoids will take an ever growing share of the \$1 trillion annual global nutraceutical and pharmaceutical markets.



The Cannabis Patch

- The Company's flagship delivery system will be a **patented**, transdermal **cannabis patch**.
- The Patch will disrupt medical marijuana markets by providing a **slow-release, controlled dose** of cannabinoids that is **discrete** and **odourless**.
- Various formulations can be created to target specific ailments.
- Potential **recreational applications** to increase revenue potential
- **Anticipated completion within 18-24 months**



Paths to Revenue Yr 1/2

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Phase	Time Line	Investment (Use of Proceeds)
1 - Genetic Registration**	6 months	300,000
2 – Cannabinoid Extract Production (300 acres)	12 to 18 months	1.5 million
3 - Proprietary Extraction**	12 months	350,000
4 - Proprietary Encapsulation & Delivery System	18 to 24 months	1.5 million

****Due to regulatory restrictions, these activities are nearly impossible to conduct in North America and Europe**

Keys to Success

Short-Term

- Acquire capital for operations
- Develop and Patent multiple hemp-based, high-CBD plant varieties
- Generate revenue from export of commercial cannabinoid extracts to enterprise and retail clients

Long-Term

- Develop and patent innovative extraction and delivery systems – the Patch
- License intellectual property for hemp-based strains, extraction methods and delivery systems to recreational and medical marijuana companies, and pharmaceutical companies
- Offer third party lab services

Highlights

Winter Garden is currently the only company globally that:

- ✓ is permitted to do Research and Development on plants with natural levels of THC and Cannabinoids
- ✓ can perform invivo, invitro, clinical and phase 3 clinical trials as well as patent the resulting products in just months.
- ✓ is permitted to register and patent its entire product line (including plant varieties, extraction methods and delivery systems) to create a fully licensable and patent protected product lines
- ✓ can patent Process IP, Formulation IP, Tech IP, Pharma IP, Nutritional model IP Strain IP, Extraction IP, Extract IP and Delivery System IP in a timeframe and at a cost significantly less than competitors
- ✓ can scale up production of its extract, derivative and delivery products in its private laboratory, greenhouse and farm including its vacant seed process facility within months.
- ✓ has licences that allow for the import and export of cannabinoid products

Winter Garden will utilize these first mover advantages and its unique full spectrum licensing to rapidly create major value for shareholders and stakeholders



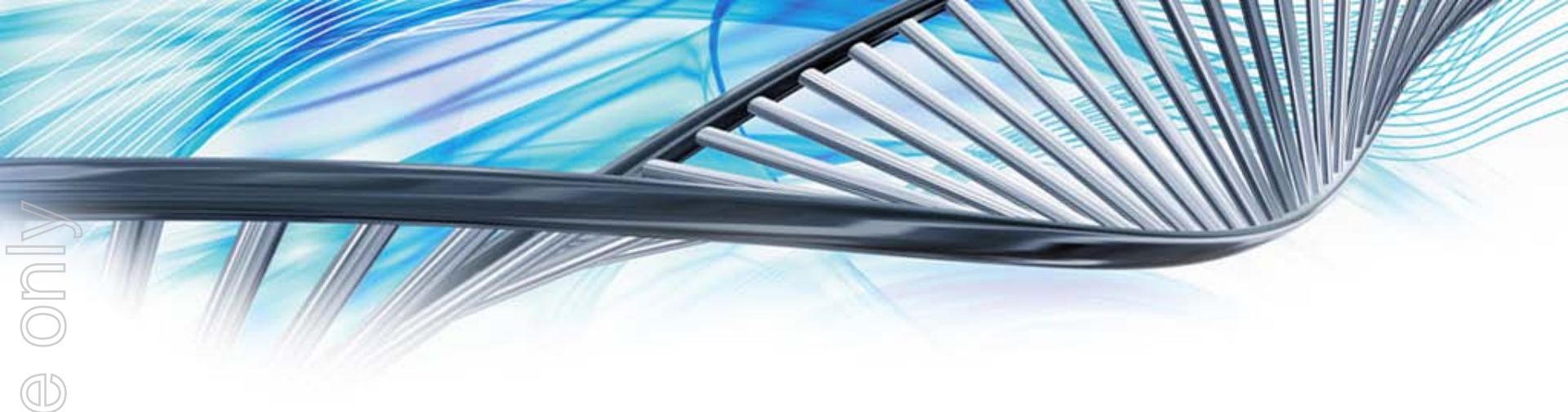
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Executive Biographies

Julian Strauss **CEO**

Mr. Strauss has been the leader behind Jardin de Invierno S.A. He has a vast experience in the hemp cultivation and medicinal extractions. He obtained a Medical Marihuana License and a Marihuana Producing License from the government of Canada in 2007 and 2006 respectively. Has worked with Yorkton and Hudson Bay Health authorities providing quality health products from medicinal applications.

Since 2014 Mr. Strauss has been building the team and infrastructure necessary to build a biotechnology company focused on cannabis. Utilizing the full potential of equipment and personnel available in Uruguay coupled by the international experience of research scientist across the world.

Executive Biographies

Daniel Sztern **Engineer Surveyor**

Director of ENVIRO Consultants (Pimefil SA), a consultancy dedicated primarily to environmental studies including strategic environmental assessment. (see experience www.enviro.com.uy)

Mr. Sztern has held important positions in the Uruguayan Government, including the National Director of the Environment, Environmental Management of the state-owned water and sanitation company (OSE), as well as environmental consulting for several municipalities, advisor in the solid domestic waste plan for Congress Mayors, and advisor to the Minister of Economy on environmental and social issues.

As National Director of Environment Mr. Sztern worked in the framework of strengthening environmental institutions, he worked directly with Parliament, organizing workshops and seminars for parliamentarians and local government authorities, environmental issues and decision making mechanisms in them, with special emphasis on education, climate change, erosion and environmentally sensitive areas.

Executive Biographies

Nils Rehmann Ph.D.

Pharmacology and Toxicology

Dr. Reshmann is a chemist with natural leadership abilities and outstanding networking skills. Expert in chemical analytical techniques with experience in leading laboratory teams and managing multiple projects simultaneously. International experience from many different countries (New Zealand, Norway, Ireland, Canada, Germany).

Since October 2013 Dr. Rehmann is a Senior Consultant and Owner of NiRem Consulting Offering QC system build up and maintenance, lab optimization, laboratory cost reduction, GMP compliance advice and lean labs implementation as well as business development and project management for R&D projects in the Life Science and Research & Technology sector.

Mr. Rehmann will be in charge of the standardization and protocols for research in trials and development of industrial hemp. Will create protocols for harvest, extraction, laboratory work and research specs, as well as lab build out, research overview, DNA, seed registration and breeding programs.

Executive Biographies

Daniel Carbo, M.S. Nanosystems Engineer

Mr. Carbo is pursuing his Ph.D. in Biochemistry at the Chemical University of Uruguay (UDELAR) researching on signal transduction of CB1 and CB2 g- coupled protein human cannabinoid receptors. During his Masters thesis Mr. Carbo focused on nano paramaters of fibers in celloulouse-based polymer systems and binders.

Mr. Carbo will be in charge of the standardization and protocols for research in trials and development of industrial hemp. Will create protocols for harvest, extraction, laboratory work and research specs, as well as lab build out, research overview, DNA, seed registration and breeding programs.

Executive Biographies

Oscar Florencio Caputi Vázquez **Agronomic Engineer**

Mr. Caputi is the Agronomic Engineer in charge of the research and legal aspects of the cannabis agriculture project, he is the representative behind our adaptation and breeding programs, and overseer of the registration and research of new cannabis genetics.

Mr. Caputi has worked on several areas such as Development of Rural areas in Montevideo, Enviromental Aspects of Decentralization. He has been in charge of several Comittes for the Hiring of Agricultural engineers by the Uruguayan Government. He is currently the president of the comitee to select agronomic engineer to develop governmental tasks.

Executive Biographies

Dr. Florencia Sacchi

A practicing emergency physician, Dr. Sacchi will oversee, consult and observe all clinical research and all ethical and societal impacts regarding co-op and medicinal cannabis use, as well as assist in transitioning from clinical phase products to finished pharmaceuticals.

Dr. Sacchi offers the first regulated and research driven platform in Uruguay focused on gaining insight into, and operational viability of, scaling cannabinoid development.