



Fundamental
Research Corp.
Investment Analysis for Intelligent Investors

Analysts' Ideas of the Week

Vancouver Student Housing Company Planning to Go Public

August 24, 2020

www.researchfrc.com

FRC Top Picks

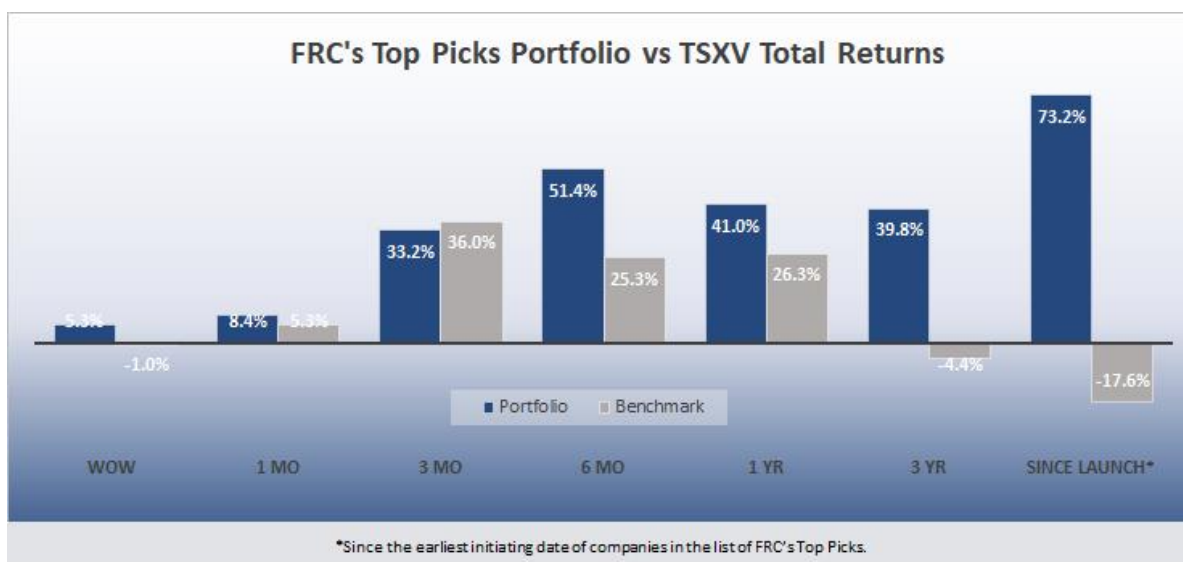
The following table shows last week's top five performers among our Top Picks, including two technology companies, two junior resource companies, and one company in the real estate / education space. The top performer, Kidoz Inc. (TSXV: KIDZ), was up 28.6% WoW. KIDZ's primary source of revenue is digital ads targeting children. Our latest update on KIDZ can be viewed [here](#).

Top Five Performers Last Week

Top 5 Weekly Performers	WoW Returns
Kidoz Inc. (TSXV:KIDZ)	28.6%
Rockcliff Metals Corporation (CNSX:RCLF)	27.8%
Sirios Resources Inc. (TSXV:SOI)	27.8%
Siyata Mobile Inc. (TSXV:SIM)	26.3%
CIBT Education Group (TSX:MBA)	20.0%

* Past performance is not indicative of future performance

Overall, our portfolio (equally weighted) was up 5.3% in the past week versus the benchmark's (TSXV) -1.0%. Over the longer-term (six months, one-year, three-year, and since launch), our portfolio has significantly outperformed the TSXV as shown below:



Performance by Sector

Total Return	WoW	1 Mo	3 Mo	6 Mo	1 Yr	3 Yr	Since Launch*
Mining	3.3%	11.0%	48.5%	74.2%	65.9%	104.4%	114.4%
Cannabis	0.0%	1.9%	-11.8%	33.3%	N/A	N/A	34.0%
Technology	19.0%	3.5%	17.5%	31.7%	-59.2%	-55.7%	-5.4%
Special Situations	6.9%	7.1%	6.8%	-15.0%	23.4%	-1.5%	38.0%
Private Companies	N/A	N/A	N/A	N/A	6.9%	20.4%	23.9%
Portfolio (Total)	5.3%	8.4%	33.2%	51.4%	41.0%	39.8%	73.2%
Benchmark² (Total)	-1.0%	5.3%	36.0%	25.3%	26.3%	-4.4%	-17.6%
Portfolio (Annualized)	-	-	-	-	41.0%	11.8%	8.6%
Benchmark ² (Annualized)	-	-	-	-	26.3%	-1.5%	-2.9%

1. Since the earliest initiating date of companies in the list of Top Picks

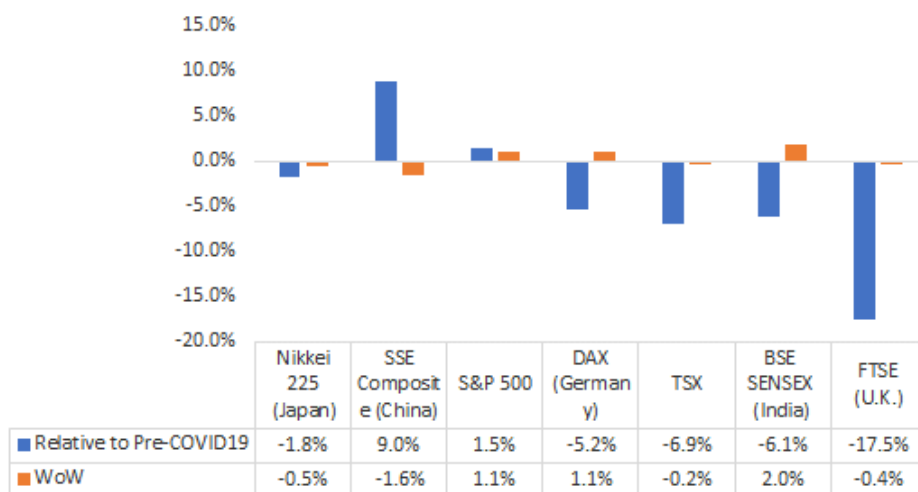
2. Green (red) indicates FRC's picks outperformed (underperformed) the benchmark.

Our complete list of top picks (updated weekly) can be viewed [here](#).

[Weekly Mining Commentary](#)

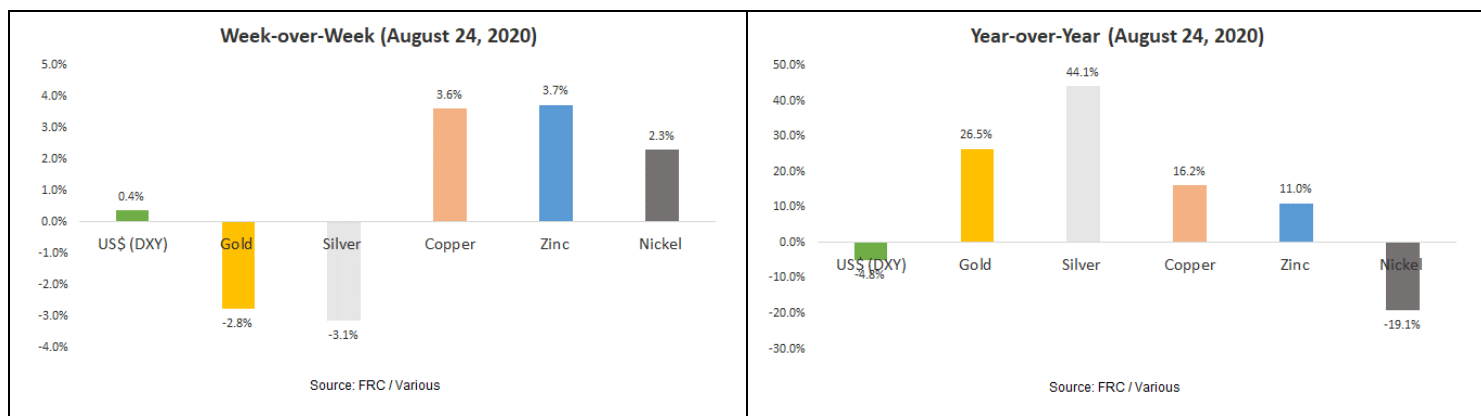
Global equity indices remained relatively flat in the past week.

Current Vs Pre COVID-19 (as of August 24, 2020)



Source: FRC / Various

Gold and silver prices declined 3% WoW, while base-metal prices reported 2% - 4% gains.



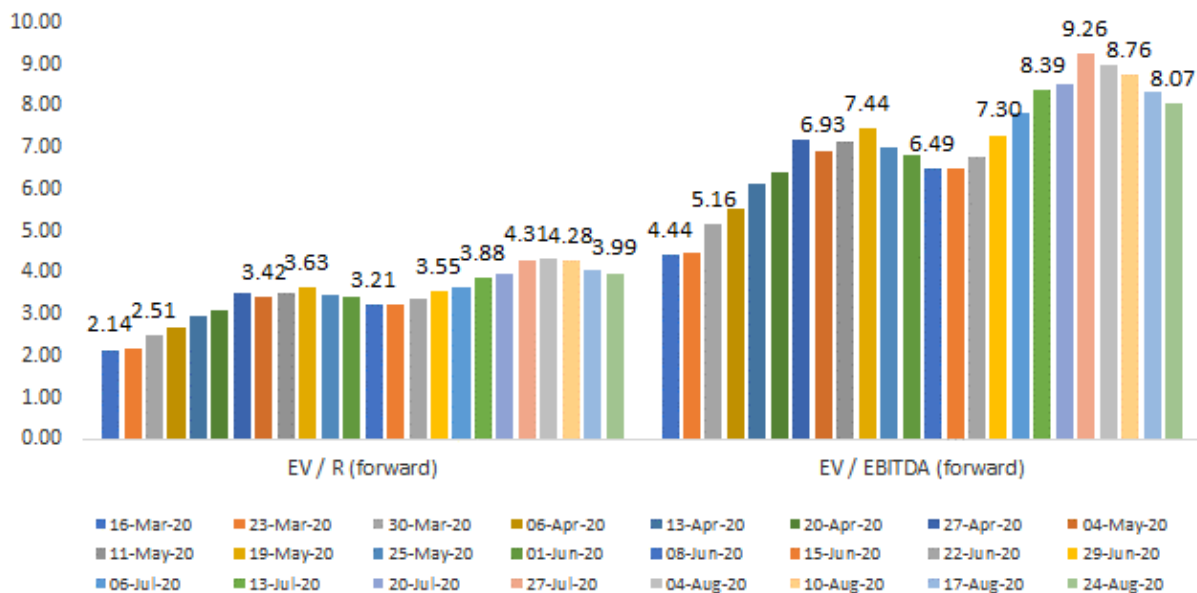
Gold is currently at US\$1,931 per oz, in line with our Q4-2020 average price forecast of US\$1,925. **However, base metals prices are trading higher than our 2020 full year forecasts, as shown below.** We have not made any changes to our short-term and long-term forecasts.

	Current Price	FRC Forecasts	
		2020E	Long-Term (2024+)
Gold (US\$/oz)	\$1,931	\$1,730	\$1,400
Silver (US\$/oz)	\$26.52	\$20.00	\$18.00
Copper (US\$/lb)	\$2.98	\$2.70	\$3.00
Zinc (US\$/lb)	\$1.11	\$1.00	\$1.10
Nickel (US\$/lb)	\$6.61	\$6.00	\$8.00

Source: FRC

Valuations of senior gold producers dropped again (three weeks in row), as shown in the chart below. The global average EV / R of gold producers is currently 3.4x versus the four-year average of 2.7x. The global average EV / EBITDA is currently 11.2x versus the four-year average of 9.0x (Source: S&P Capital IQ). **These valuations indicate that the market expects further upside in gold prices.**

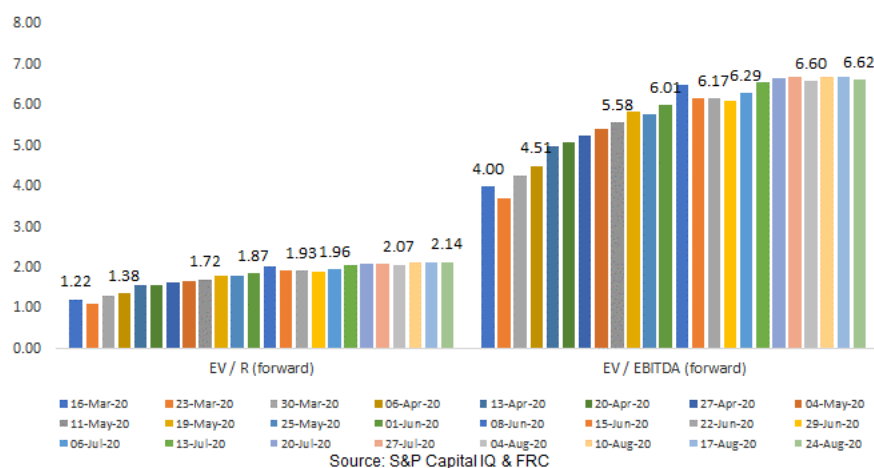
Gold Producers



Source: S&P Capital IQ & FRC

Valuations of base metal producers remain flat. The global average EV/R of Diversified Metals and Mining companies is currently 1.4x versus the four-year average of 1.5x. The global average EV / EBITDA is currently 8.0x, in line with the four-year average (Source: S&P Capital IQ). **As the current valuations are in line with historical averages, we believe the market does not expect any further upside in base metal prices.**

Base Metal Producers



Source: S&P Capital IQ & FRC

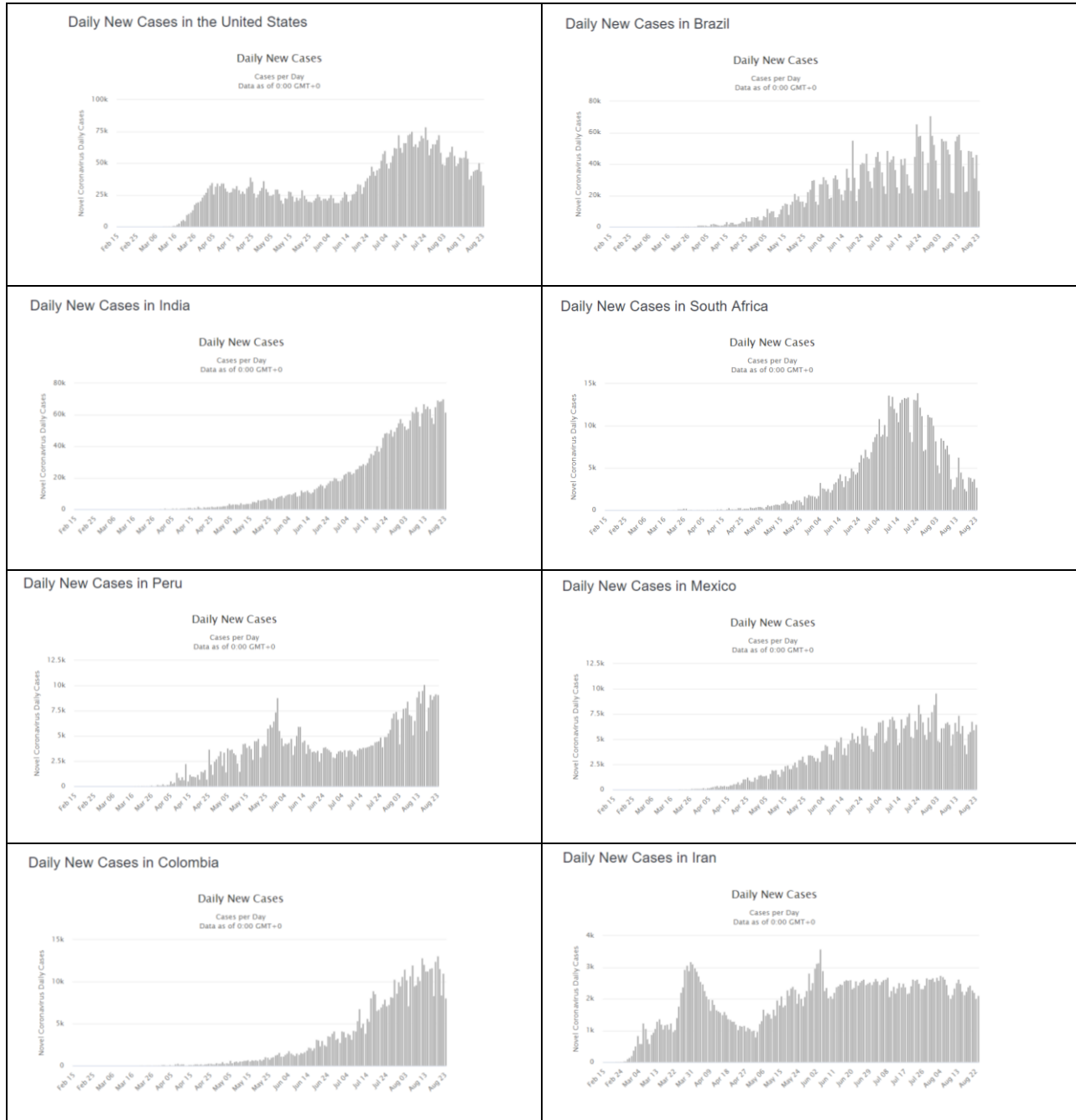
Gold Producers	10-Aug-20		17-Aug-20		24-Aug-20	
	EV / R (forward)	EV / EBITDA (forward)	EV / R (forward)	EV / EBITDA (forward)	EV / R (forward)	EV / EBITDA (forward)
1 Barrick	5.42	10.56	4.98	9.63	5.20	10.23
2 Newmont	5.18	10.59	4.84	9.79	4.88	10.06
3 Polyus	7.65	11.02	7.67	11.06	7.33	10.28
4 Agnico Eagle	6.92	14.60	6.60	13.83	6.62	13.91
5 AngloGold	3.48	5.87	3.29	5.80	3.07	5.42
6 Kinross Gold	3.19	6.31	2.97	5.91	2.93	5.86
7 Gold Fields	3.75	7.55	3.54	7.08	3.27	5.68
8 Sibanye	1.36	4.00	1.44	4.10	1.29	3.67
9 Yamana	4.58	8.41	4.17	7.62	4.21	7.70
10 B2Gold	4.10	6.30	3.96	6.01	3.68	5.49
11 Alamos	5.27	10.69	5.13	10.39	5.11	10.35
12 Harmony	2.48	13.58	2.36	12.94	2.22	12.18
13 Eldorado Gold	2.32	4.45	2.12	4.14	2.08	4.05
Average (excl outliers)	4.28	8.76	4.08	8.33	3.99	8.07
Min	1.36	4.00	1.44	4.10	1.29	3.67
Max	7.65	14.60	7.67	13.83	7.33	13.91

Base Metal Producers	EV / R (forward)	EV / EBITDA (forward)	EV / R (forward)	EV / EBITDA (forward)	EV / R (forward)	EV / EBITDA (forward)
	1 BHP Group	3.53	6.82	3.58	6.92	3.58
2 Rio Tinto	2.81	5.87	2.85	5.90	2.79	5.74
3 South32	1.17	6.25	1.13	5.85	1.23	5.70
4 Glencore	0.41	7.05	0.41	7.00	0.41	6.90
5 Anglo American	1.73	5.75	1.73	5.77	1.71	5.70
6 Teck Resources	1.76	6.50	1.77	6.50	1.76	6.38
7 First Quantum	3.43	8.71	3.49	8.87	3.51	8.92
Average (excl outliers)	2.12	6.71	2.14	6.69	2.14	6.62
Min	0.41	5.75	0.41	5.77	0.41	5.70
Max	3.53	8.71	3.58	8.87	3.58	8.92

Source: S&P Capital IQ & FRC

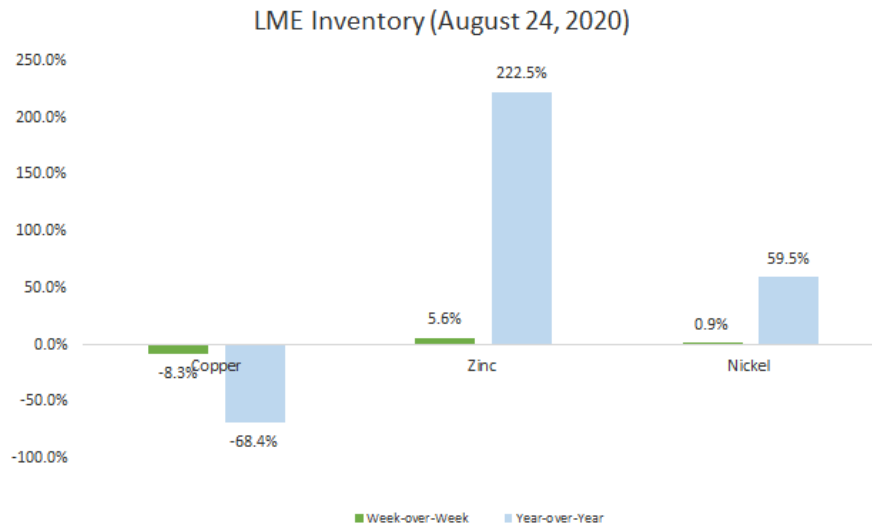
A declining number of new cases of COVID-19 in the U.S., South Africa, and Russia bodes positively for an economic recovery, and the demand for base metals. Another positive is that, as shown below, the number of new cases in India, Brazil, Mexico, and

Iran seems to be plateauing. However, the significant increase in cases in South America (especially Peru, Colombia and Argentina) remains our primary concern.

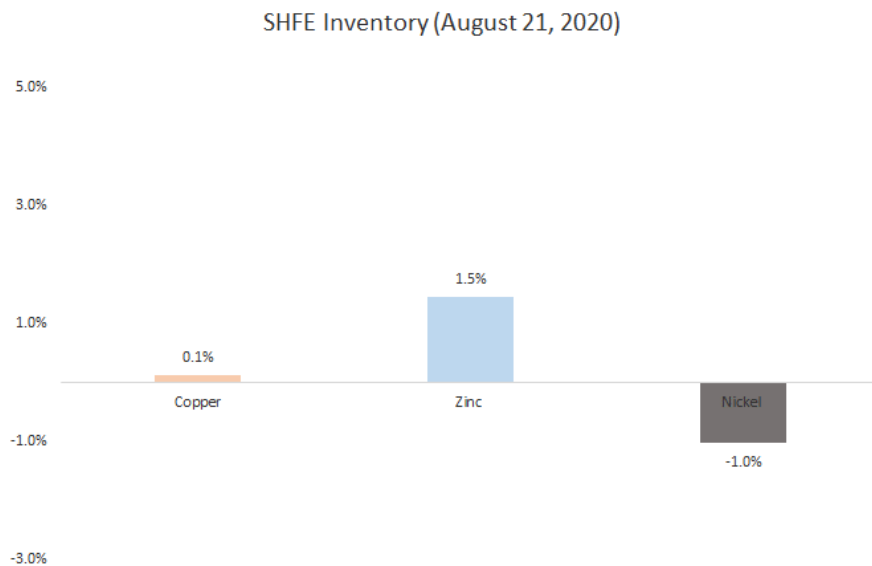


Source: <https://www.worldometers.info/coronavirus/>

Inventory levels of base metals remain volatile on both the LME and SHFE (Shanghai Futures Exchange), and are not offering us any insights on potential demand.



Source: FRC / Various



Source: FRC / SHFE

We are maintaining our prediction of a U-shaped recovery in business activities, and demand for base metals.

In the following section, we review companies that announced key developments in the past week.

Mining / Exploration

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
<u>Newmont Corporation</u>	NASDAQ: NEM	US\$65.57	US\$75.59	Aug 20, 2020
PR Content Resolved all outstanding disputes between NEM's Peñasquito mine and the San Juan de Cedros community (Cedros). The agreement includes access to ~10,000 hectares of Cedros land for production and exploration.		FRC Opinion Positive – This development will enable Newmont to continue production without obstacles (hit by blockade last year amid tensions with the community) and unlock Peñasquito's exploration potential. The project has ~8 Moz of gold reserves and ~26 Moz of gold equivalent reserves. As our models were based on the assumption that NEM would be able to continue production at Peñasquito without any obstacles, we are maintaining our 2020 and 2021 EPS estimates.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
<u>Southern Silver Exploration Corp.</u>	TSXV: SSV	\$0.48	\$1.06	Aug 17, 2020
PR Content		FRC Opinion		
<p>Raised \$14 million through equity financings. The proceeds will be used to fund a drill program (of up to 10,000 m) and the cash component of a recently announced transaction to acquire the remaining 60% interest in its flagship Cerro Las Minitas project in Durango, Mexico.</p>		<p>Positive – As detailed in our <u>update report</u> last month, this acquisition expands SSV’s resource estimate by 80 Moz silver equivalent (“AgEq”) indicated, and 83 Moz AgEq inferred. The deal is attractively priced for SSV as it is valued at US\$0.12 per oz versus the comparables’ average of US\$0.82; calculated based on 100% of measured and indicated, and 50% of inferred resources. In addition to the attractive acquisition price, we believe this deal enhances SSV’s marketability as a M&A candidate / acquisition target, since it will own 100% of the asset.</p>		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
<u>Corvus Gold Inc.</u>	TSXV: KOR	\$3.78	\$4.41	Aug 19, 2020
PR Content Announced additional positive drill results from the Mother Lode deposit in Nevada. We believe the best results were: <ul style="list-style-type: none"> ➤ 56.4m @ 1.71 g/t Au ➤ 64.9m @ 1.02 g/t Au including 11.7m @ 3.9 g/t Au ➤ 55.1m @ 1.40 g/t Au 		FRC Opinion Positive - This is very positive as it supports our assumption that the Mother Lode project has significant resource expansion potential. KOR expects to complete an updated PEA next month. A 2018 PEA had shown an After Tax- Net Present Value (“AT-NPV”) of US\$586 million, and an After Tax – Internal Rate of Return (“AT-IRR”) of 38%, at a gold price of US\$1,250 per oz. We will publish an update when the PEA is completed. We are raising fair value estimate from \$3.75 to \$4.41 per share as our previous estimate was based on a long-term gold price of US\$1,300 per oz. The revised fair value is based on our current long-term forecast of US\$1,400.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
<u>FPX Nickel Corp.</u>	TSXV: FPX	\$0.48	\$0.62	Aug 17, 2020
PR Content Appointed Stuart Harshaw, P. Eng., MBA, to the board. He is a former executive of Vale (ENXTPA: FR), with 30+ years’ experience in the production and marketing of nickel products.		FRC Opinion Positive – This is a strong addition and reflects positively on an upcoming updated PEA on FPX’s flagship Baptiste nickel deposit. We had <u>initiated coverage</u> on FPX on August 11, 2020, and its share price is up 33%. Baptiste holds one of the largest undeveloped nickel deposits in the world, with 5 Blbs indicated, and 0.99 Blbs inferred.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
<u>Eskay Mining Corp.</u>	TSXV: ESK	\$0.69	\$1.22	Aug 21, 2020
PR Content Raised \$3.41 million through equity financings, and commenced a 3,000+ m drill program primarily targeting the TV and Jeff VMS prospects.		FRC Opinion Positive - We were pleased with the financings as the company had a \$0.50 million working capital deficit as of February 2020. Eskay's projects are in the Golden Triangle in B.C., close to the historic Eskay Creek gold-silver mine, Seabridge's (TSX: SEA) KSM gold-copper project, and Pretium's (TSX: PVG) Brucejack gold projects. We will publish an update when results of the ongoing drill program are announced.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
<u>Doubleview Gold Corp.</u>	TSXV: DBG	\$0.25	\$0.47	Aug 17, 2020
PR Content Commenced a phase 1 drill program (4,000 m) on its flagship Hat property in B.C.		FRC Opinion Neutral – Hat is considered to be a gold rich copper porphyry project. The company has drilled a total of 34 holes / 12,640 m on the property. The best hole intersected mineralization from surface to a depth of 731 m. Key intercepts included 0.58 gpt AuEq (0.42% CuEq) over 612 m, including 1.04 gpt AuEq (0.76 % CuEq) over 235 m. A maiden resource estimate is expected by early 2021.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
Sirios Resources Inc.	TSXV: SOI	\$0.22	\$0.41	Aug 17, 2020
PR Content		FRC Opinion		
<p>Released additional results of a 22 drill hole program totaling 5,237 m on its Cheechoo gold property, located 10 – 15 km from the Éléonore gold mine. We believe the best results were:</p> <ul style="list-style-type: none"> ➤ 10.3 g/t Au over 12.1 m ➤ 19.5 g/t Au over 7.5 m, and ➤ 3.0 g/t Au over 46.9 m 		<p>Positive – Two of the three holes listed on the left, were drilled outside of the existing resource estimate of 1.6 Moz at 0.69 gpt gold. These results indicate potential for resource expansion. Management expects to commence a PEA in 2021.</p>		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
Skyharbour Resources Ltd.	TSXV: SYH	\$0.19	\$0.53	Aug 18, 2020
PR Content		FRC Opinion		
<p>Received a \$1.05 million equity investment from an undisclosed strategic institutional investor.</p>		<p>Positive - SYH is preparing for a drill program (2,500 m across seven to nine holes) at its flagship Moore uranium project in the Athabasca Basin, Saskatchewan. SYH is fully funded for the drill program.</p>		

Special Situations and Technology

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
<u>CIBT Education Group Inc.</u>	TSXV: MBA	\$0.55	\$1.22	Aug 19, 2020
<p>PR Content Announced that they are evaluating options to unlock the value of their education real estate subsidiary, Global Education City Holdings Inc. (“GEC”), by potentially spinning it off and listing on a recognized North American stock exchange.</p>	<p>FRC Opinion Positive – We consider this to be an attractive move by management as it will allow them to tap into a much larger investor-base for capital to advance their real estate projects. This move will also enable CIBT to monetize its investment in the subsidiary. Of our fair value estimate of \$1.22 per share, \$0.46 comes from GEC. As of the May 2020, the value of GEC’s portfolio was appraised at \$580 million by third-party valuers. The portfolio value (including development budgets) is currently over \$1.4 billion.</p>			

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
<u>Kontrol Energy Corp.</u>	CSE: KNR	\$1.08	\$2.41	August 19, 2020
PR Content		FRC Opinion		
<p>Provided an update on the timing of the next stage of testing for the Kontrol BioCloud analyzer. Live COVID-19 virus testing has commenced, with test results expected by the end of the month.</p>		<p>Positive – From our research, there are currently no products on the marketplace that can test the air for the COVID-19 virus. A successful outcome would put the Kontrol BioCloud analyzer at the forefront of detecting COVID-19 through the air, and result in significant revenue potential. Note that our current valuation does not incorporate the potential revenue of this product, due to testing not being completed and results unknown.</p>		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
<u>Siyata Mobile Inc.</u>	TSXV: SIM	\$0.12	\$0.90	August 20, 2020
PR Content		FRC Opinion		
<p>Received an initial purchase order for the Uniden UV350 from a leading Canadian construction company through Vive Wireless (an Authorized Wireless Bell Dealer in Canada).</p>		<p>Positive – Although we are not privy to the purchase order size, we are pleased to see continual demand for the Uniden UV350.</p>		

Cannabis

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
<u>Namaste Technologies Inc.</u>	TSXV: N	\$0.27	\$0.69	August 20, 2020
PR Content		FRC Opinion		
Announced an agreement with Indiva Inc. (TSXV: NDVA) to offer Indiva’s products (chocolates, gummies, soft gels, capsules, etc.) on CannMart for sale to medical customers.		Positive – We are pleased to see Namaste expand its product selection on CannMart. Prior to this agreement, CannMart did not have edibles (chocolates, gummies, etc.) available for sale. From our research, Indiva’s edibles are highly rated by customers. We expect this agreement to be accretive to revenue.		

Company Name:	Ticker Symbol	Current Share Price:	FRC Fair Value Estimate:	Date of PR:
<u>Inner Spirit Holdings</u>	CSE: ISH	\$0.14	\$0.43	August 24, 2020
PR Content		FRC Opinion		
Announced Q2 results today; system-wide retail sales grew 343% YoY, and 19% QoQ, to \$20.5 million in Q2. Revenue grew 575% YoY, and 31% QoQ, to \$5.4 million. Adjusted EBITDA was \$0.5 million in Q2-2020 versus -\$2.5 million in Q2-2019.		Positive – We were pleased with ISH’s Q2 results, which were in line with our expectations. The company currently operates 58 stores, with plans to open another 20 this year. As a result, we expect revenue to continue to grow in the coming quarters. We will be publishing an update report shortly.		

Weekly Cannabis Commentary

Cannabis Industry Performance

Company	YTD	1-Week	1-Year
Aphria Inc.	-9%	-4%	-32%
Aurora Cannabis Inc.	-60%	-7%	-86%
Canopy Growth Corp.	-19%	-6%	-37%
Cronos Group Inc.	-27%	-5%	-55%
Tilray Inc.	-60%	-6%	-77%
HEXO Corp.	-57%	-6%	-82%
Organigram Holdings Inc.	-45%	-11%	-74%
The Supreme Cannabis Co., Inc.	-72%	-10%	-88%
AVERAGE	-44%	-7%	-66%
MIN	-72%	-11%	-88%
MAX	-9%	-4%	-32%

Indexes	YTD	1-Week	1-Year
HMMJ	-23%	-3%	-56%
MCAN	-14%	-3%	NM
XCAN	NM	-5%	NM

Note: MCAN and XCAN was launched on November 18, 2019 and January 20, 2020, respectively.

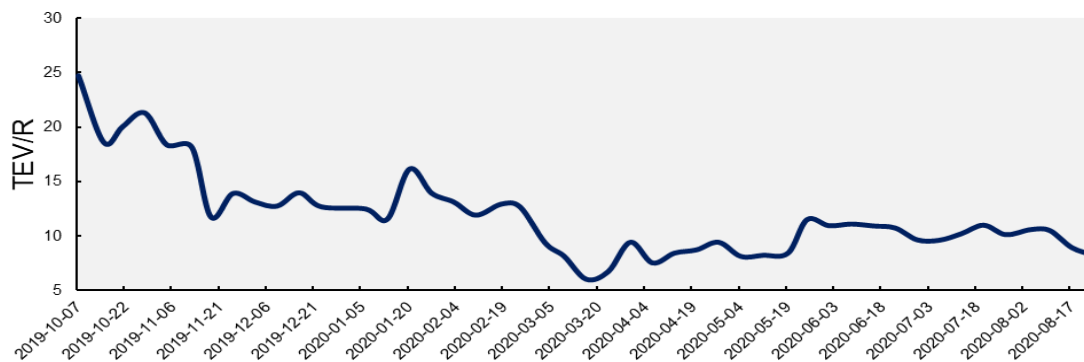
Source: TMX Money, FRC

Over the past week, the Horizons Marijuana Life Sciences ETF (TSX: HMMJ / “HMMJ”), the Standard & Poor’s/MX International Cannabis Index (“MCAN”), and the Standard & Poor’s/TSX Cannabis Index (“XCAN”) generated a return of -3%, -3%, and -5%, respectively. There were no material developments in the past week.

Valuation of Select Canadian LPs

The following shows the average Enterprise Value to Revenue (“EV/R”) of the Canadian cannabis companies that we track.

Average EV/R (October 2019 – August 2020)



Source: S&P Capital IQ, FRC

		Aug 17, 2020		Aug 24, 2020	
Company	Ticker	TEV/Revenue	TEV/EBITDA	TEV/Revenue	TEV/EBITDA
Aphria Inc.	TSX: APHA	3.1	32.4	3.1	32.5
Aurora Cannabis Inc.	TSX: ACB	6.4	NM	5.9	NM
Canopy Growth Corp.	TSX: WEED	17.6	NM	16.4	NM
Cronos Group Inc.	TSX: CRON	21.1	NM	18.5	NM
Tilray Inc.	NASDAQ: TLRY	7.0	NM	6.7	NM
HEXO Corp.	NYSE: HEXO	7.0	NM	6.5	NM
Organigram Holdings Inc.	TSX: OGI	5.1	NM	4.6	NM
The Supreme Cannabis Co., Inc.	TSX: FIRE	4.0	NM	3.9	NM
AVERAGE		8.9	NM	8.2	NM
MEDIAN		6.7	NM	6.2	NM
MINIMUM		3.1	NM	3.1	NM
MAXIMUM		21.1	NM	18.5	NM

Source: S&P Capital IQ, FRC

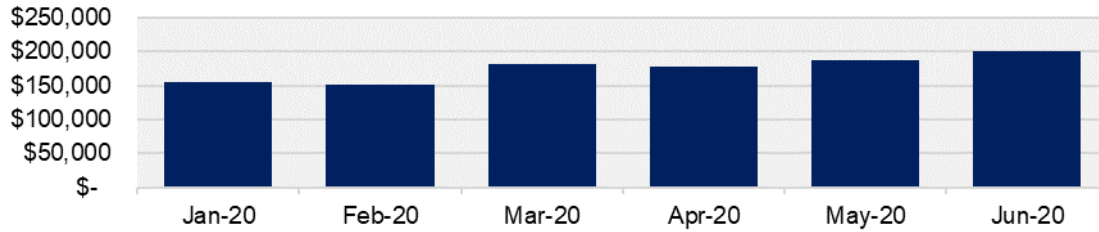
The average EV/R, as of August 24, 2020, is 8.2x – a deterioration from 8.9x a week ago. The average EV/R, from October 7, 2019 to date, is 11.9x.

On the next page, we discuss retail cannabis sales in Canada.

Retail Sales in Canada

On August 21, 2020, retail sales data were released by Statistics Canada. Total retail sales in Canada in June 2020 were \$52.96 billion – a year-over-year (“YoY”) increase of 3.8% and a month-over-month (“MoM”) increase of 23.7%. As indicated, retail sales in Canada have rebounded sharply, and are currently above pre-COVID-19 numbers (retail sales in Canada were \$42.98 billion in February 2020). **In regard to cannabis, retail cannabis sales in Canada in June 2020 were \$201 million – a YoY increase of 119% and a MoM increase of 8%.** Retail sales of cannabis continue to remain strong.

Canadian Retail Cannabis Sales

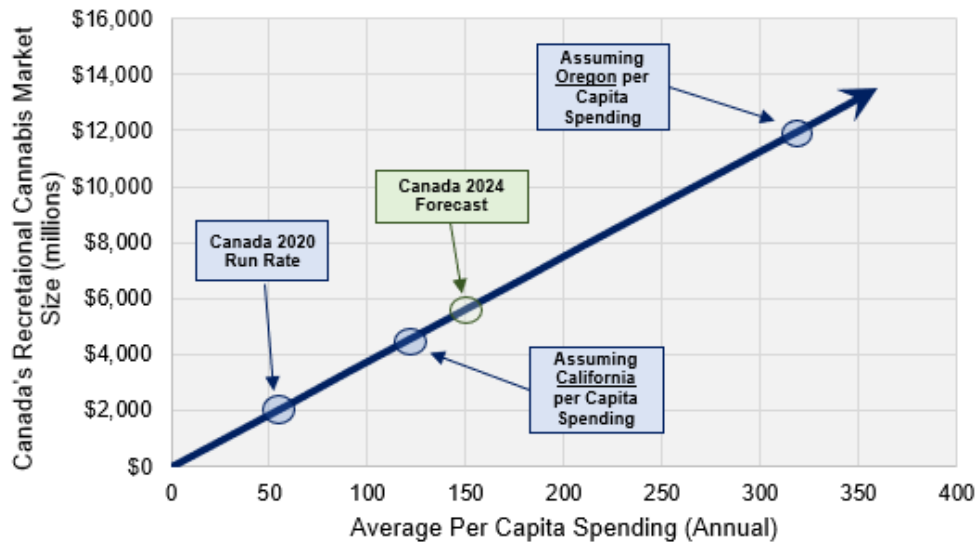


Source: Statistics Canada, FRC

Extrapolating June 2020 retail cannabis sales into the remaining months of 2020 would result in **2020 retail cannabis sales amounting to \$2.26 billion – a YoY increase of 88%**. We continue to reiterate our view that Canada’s recreational cannabis market is poised to grow immensely over the long-term.

The following illustrates Canada’s recreational cannabis market size at varying per capita spending. Canada’s recreational cannabis market could exceed \$10 billion over the long term, assuming Oregon per capita spending.

Potential of Canada’s Recreational Cannabis Market



“Canada 2024 Forecast” is by BDS Analytics and ArcView Research
Source: FRC

Canadian Retail Cannabis Pricing

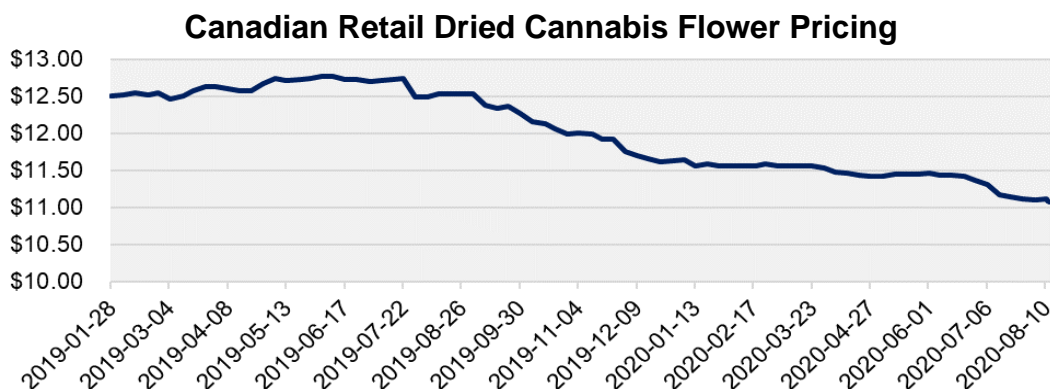
Province (As of 2020/8/24)	Average Price per Gram	Average Price per Gram THC	Average Price per Gram CBD	# of Products	Min. Price	Max. Price
B.C.	\$ 10.19	\$ 10.29	\$ 8.22	227	\$ 4.48	\$ 80.29
Ontario	\$ 9.79	\$ 9.95	\$ 8.56	252	\$ 4.20	\$ 23.98
Quebec	\$ 9.20	\$ 9.13	\$ 9.83	187	\$ 4.85	\$ 14.55
Alberta	\$ 11.48	\$ 11.48	\$ 11.37	294	\$ 3.93	\$ 22.00
N.B.	\$ 10.07	\$ 10.20	\$ 8.90	153	\$ 3.57	\$ 16.28
P.E.I.	\$ 10.30	\$ 10.36	\$ 9.50	135	\$ 2.20	\$ 23.30
Newfoundland	\$ 10.17	\$ 10.17	\$ 10.19	133	\$ 5.64	\$ 15.40
Yukon	\$ 14.61	\$ 14.78	\$ 13.35	8	\$ 12.69	\$ 16.15
N.S.	\$ 10.39	\$ 10.45	\$ 9.82	163	\$ 5.36	\$ 42.85
Nunavut	\$ 11.73	\$ 11.84	\$ 12.41	36	\$ 9.43	\$ 17.91
Northwest Territories	\$ 11.54	\$ 11.54		3	\$ 12.08	\$ 13.00
Manitoba	\$ 11.73	\$ 11.75	\$ 11.57	266	\$ 5.66	\$ 20.43
Saskatchewan	\$ 12.82	\$ 12.84	\$ 12.46	124	\$ 5.66	\$ 38.50
CANADA	\$ 11.08	\$ 11.14	\$ 10.51			

Province (As of 2020/8/17)	Average Price per Gram	Average Price per Gram THC	Average Price per Gram CBD	# of Products	Min. Price	Max. Price
B.C.	\$ 10.18	\$ 10.28	\$ 8.22	226	\$ 4.48	\$ 80.29
Ontario	\$ 9.77	\$ 9.95	\$ 8.41	247	\$ 4.20	\$ 23.98
Quebec	\$ 9.20	\$ 9.12	\$ 9.83	187	\$ 4.85	\$ 14.55
Alberta	\$ 11.52	\$ 11.53	\$ 11.37	294	\$ 3.93	\$ 22.00
N.B.	\$ 10.07	\$ 10.20	\$ 8.90	153	\$ 3.57	\$ 16.28
P.E.I.	\$ 10.34	\$ 10.40	\$ 9.50	134	\$ 2.20	\$ 23.30
Newfoundland	\$ 10.17	\$ 10.17	\$ 10.19	133	\$ 5.64	\$ 15.40
Yukon	\$ 14.61	\$ 14.78	\$ 13.35	8	\$ 12.69	\$ 16.15
N.S.	\$ 10.51	\$ 10.58	\$ 9.82	163	\$ 5.36	\$ 42.85
Nunavut	\$ 11.73	\$ 11.84	\$ 12.41	36	\$ 9.43	\$ 17.91
Northwest Territories	\$ 11.54	\$ 11.54		3	\$ 12.08	\$ 13.00
Manitoba	\$ 11.73	\$ 11.75	\$ 11.57	263	\$ 5.66	\$ 20.43
Saskatchewan	\$ 12.81	\$ 12.83	\$ 12.46	121	\$ 5.66	\$ 38.50
CANADA	\$ 11.09	\$ 11.15	\$ 10.50			

Source: Online Provincial Cannabis Stores, FRC

The average retail price per gram decreased 0.01% week-over-week to reach **\$11.08**. We continue with our hypothesis that in the long run, the retail price per gram of cannabis will decrease because of the pricing pressure from black market for cannabis. Recent data published by Statistics Canada shows that only 46% is legal consumption of a \$2.2 billion cannabis retail industry in Canada.

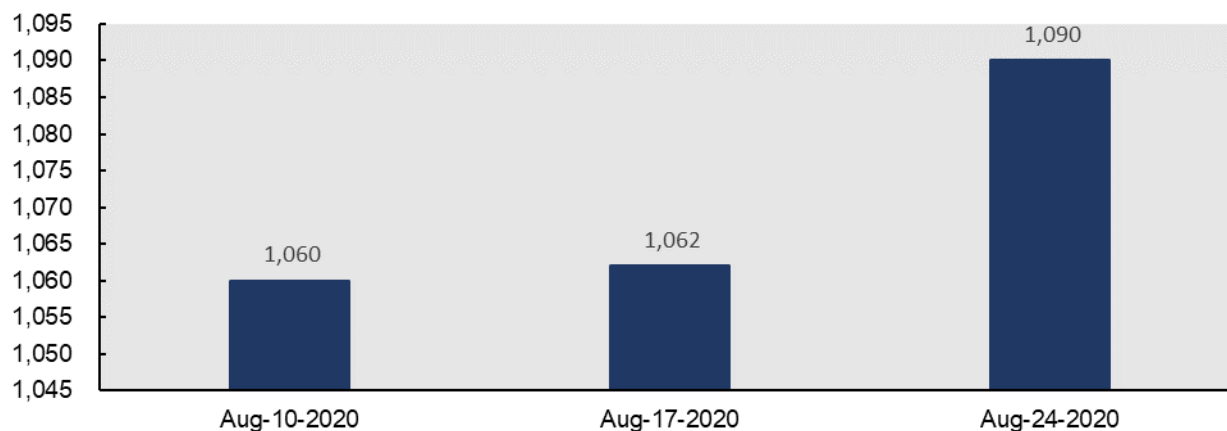
The below chart shows Canadian retail dried cannabis flower pricing since we began price coverage.



Source: Online Provincial Cannabis Stores, FRC

Canadian Retail Cannabis Stores

As of August 24, 2020, there are 1,090 retail cannabis stores across Canada – a notable increase following a stagnant week of growth reported previously. The following shows the week-over-week growth rates:



Source: Provincial Websites, FRC

The following shows the number of retail cannabis stores by province/territory:

Geographic Region	Aug-10-2020 Store Count	Aug-17-2020 Store Count	Aug-24-2020 Store Count	Population	Population / Store
Alberta	509	509	515	4,428,247	8,700
B.C.	224	226	244	5,120,184	22,656
Manitoba	30	30	30	1,379,121	45,971
N.B.	20	20	20	780,890	39,045
N.S.	12	12	12	978,274	81,523
Newfoundland	25	25	26	520,437	20,817
Northwest Territories	5	5	5	44,982	8,996
Nunavut	N/A	N/A	N/A	39,486	N/A
Ontario	140	140	140	14,745,040	105,322
P.E.I.	4	4	4	158,717	39,679
Quebec	42	42	45	8,552,362	203,628
Saskatchewan	44	44	44	1,181,987	26,863
Yukon	5	5	5	41,293	8,259
CANADA	1,060	1,062	1,090	37,971,020	35,754

Source: Provincial Websites, FRC

B.C. has experienced a larger than the Canadian average increase in retail outlets opening over the past year. B.C. currently has 244 stores, with another 57 expected to open this year. According to a recently published report by the Vancouver Sun, sales of cannabis products from licensed retailers in B.C. rose from \$4.2 million in June 2019, to \$29.4 million in June 2020, reflecting a 600% increase versus the country wide growth of 119%.

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