A large, stylized teal graphic of a plant with a central stem and several branches, set against a light teal circular background. The plant is positioned on the right side of the page, partially overlapping the text.

OPPORTUNITIES IN CANNABIS AND HEMP IN MINNESOTA

ABOUT PRAIRIE PRODUCTS



Veronica Michael
CEO

ABOUT THE CANNABIS MARKET



Twenty-seven years ago, California began the first medical cannabis program in the US. Since that time, legal cannabis sales in the US have increased from \$0 annually to a projected **\$31.8 billion** by the end of 2023, according to the Brightfield Research Group. Based on current trends, the market is expected to grow to **\$50.7 billion** within the next five years.

PRODUCTS

Cannabis flower is the most popular product, reaching \$10.9 billion in US sales in 2021. \$5.1 billion in **vape pens** were sold that year, followed by \$3 billion in **edibles**, and \$2.8 billion each in **concentrates** and **pre-rolls**.

PROGRAMS



40 US states have **medical** cannabis programs. The first state to implement a program was California in 1996.



24 US states have **recreational** cannabis programs. The first was Washington in 2012. The most recent is Minnesota in 2023.

MARKET PROJECTIONS



MINNESOTA

According to cannabis law firm Vicente LLP: "There are approximately 5.7 million Minnesota residents. Based on customer data from other adult-use states, we can expect about 15% of the adult population, or approximately 650,000 people, to purchase cannabis each month. This means that by 2029, the Minnesota cannabis market is expected to reach **\$1.5 Billion dollars.**"

- This assumes average spending of \$192 per user per month.
- This does not factor in purchases from residents of surrounding states. Recreational cannabis is not legal in any state that borders Minnesota.

TRIBAL NATIONS

Cannabis sales in tribal nations can be difficult to project because tribes generally do not report their sales information publicly. However, we are aware of a relatively remote South Dakota tribe that is selling approximately \$1,000,000 a month in recreational cannabis.

CARBON COUNTY, MT CANNABIS SALES

Month	Rec sales	Med sales	Total sales
January 2023	\$306,873	\$29,222	\$336,095
February 2023	\$323,588	\$28,458	\$352,046
March 2023	\$357,379	\$32,998	\$390,377
April 2023	\$354,994	\$30,143	\$385,137
May 2023	\$387,809	\$33,592	\$421,402
June 2023	\$432,898	\$34,654	\$467,552
July 2023	\$466,623	\$32,516	\$499,139
August 2023	\$460,830	\$32,722	\$493,552
<i>Monthly average</i>	<i>\$386,374</i>	<i>\$31,788</i>	<i>\$418,163</i>

2021 county population: 10,473

Red Lodge population: 2,257

The background is a light teal color with a faint, stylized graphic of a plant or tree. The graphic consists of a central vertical stem with several horizontal branches extending outwards, all rendered in a slightly darker shade of teal. The overall style is minimalist and modern.

**HOW DO YOU GET
IN? AND HOW DO
YOU STAY IN?**

SHORT TERM OPPORTUNITIES (NEXT 12-18 MONTHS)

A close-up photograph of vibrant green cannabis leaves with serrated edges, set against a bright, slightly blurred background.

TRIBAL NATIONS OWN THE MARKET

- No one else can grow or sell until licenses are issued
- Licensing applications expected to be released at end of 2024 or beginning of 2025

OPPORTUNITIES

- Grow operation
- Dispensaries
 - Off reservation
- Processing



LONG TERM OPPORTUNITIES (18 MONTHS +)

WHEN THE MONOPOLY ENDS, FIND A NICHE

- Testing facility
 - All cannabis sold in MN will need to be tested
 - Varied employment opportunities from highly skilled to lower skilled
 - ~\$1.5 million to start
- Transportation
 - Number of jobs varies
 - Startup costs vary
- ATMs
 - ~\$3,000 per ATM
 - Could work well in combination with transportation
- Processing
 - Varied employment opportunities from highly skilled to lower skilled
 - ~\$1 million to start
 - ~\$30,000-\$40,000 with us
- Bank
 - Lots of jobs
 - \$10-14 million to start
- Waste management

OPPORTUNITIES IN HEMP

HOUSING

- Build houses for tribal members with hempcrete
- Potentially build panel factory/kit home factory for hempcrete homes to sell off the reservation
- Creates a market for hemp grown by tribal farmers
- Creates additional work for tribal construction companies
- Helps alleviate housing shortage




OPPORTUNITIES IN HEMP



INJECTION-MOLDED PLASTICS

- Use hemp grown by Minnesota Chippewa Tribe or another tribe to create a plastic polymer that can be injection molded to make products such as plastic cutlery, light switch plates, and junction boxes
- Benefits
 - Could be made biodegradable/compostable
 - Creates jobs

ADDITIONAL POTENTIAL REVENUE SOURCES

- Carbon credits
 - Hemp for food to sell to food distribution system
 - Hemp hurd for building materials
 - Hemp biochar
 - Hemp derived low-potency edible THC products
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QUESTIONS?



Veronica Michael

701-261-1587
veronicamichael
@prairieproductsnd.com



Nicole Mattson

218-790-5854
nicole
@prairieproductsnd.com