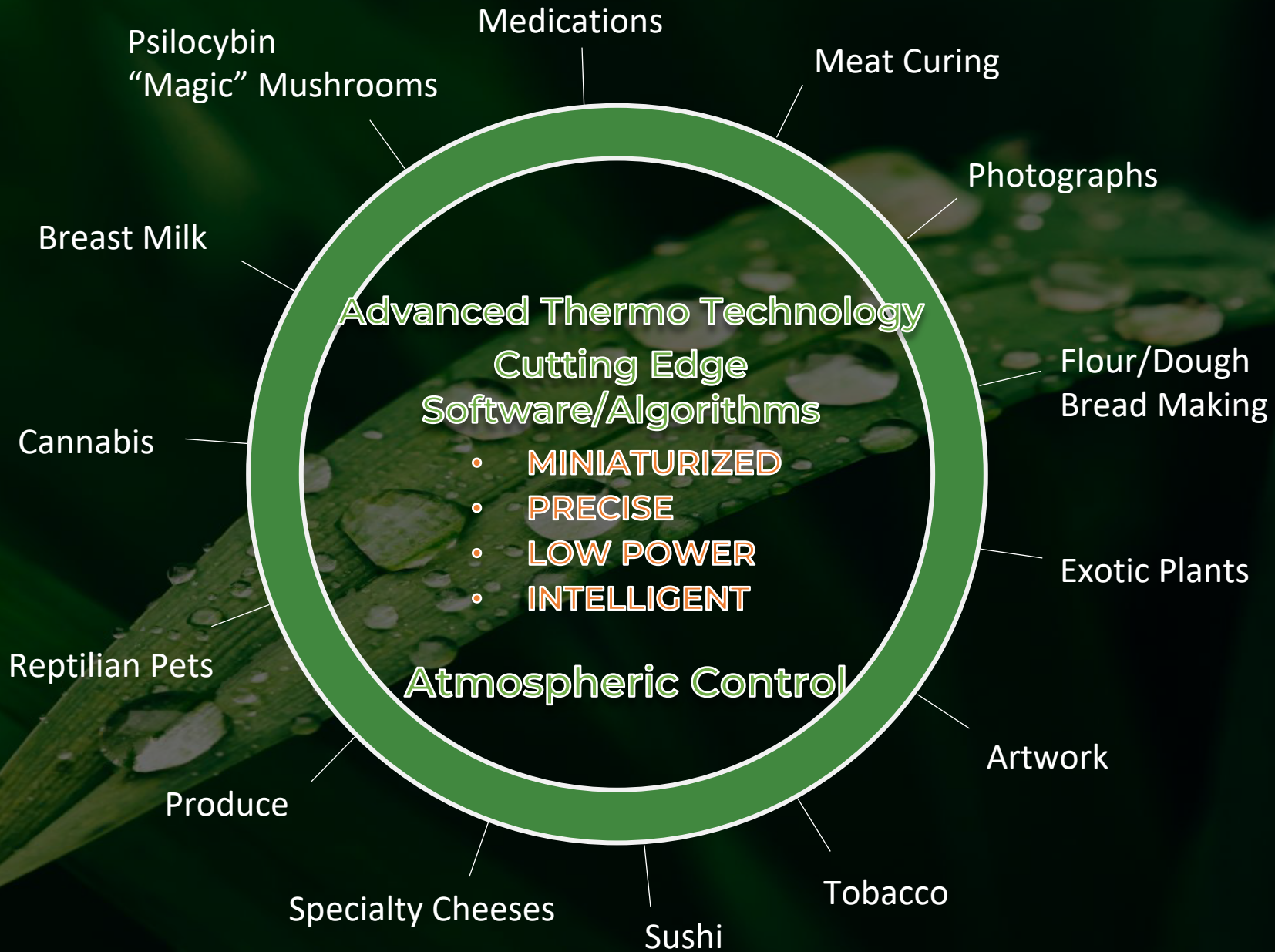


“CREATING THE PERFECT ATMOSPHERE”

NEW CATEGORY OF INTELLIGENT, HIGH-TECH SMART STORAGE/CURING SOLUTIONS

A MAJOR MULTI-SECTOR OPPORTUNITY





BEACH HEAD MARKET - CANNABIS/HEMP

CURING AND STORAGE

#1: 90% Cannabis/Hemp Too Dry:
Loss of active components, weight =
margin squeeze, reduced customer satisfaction

#2 Cannabis/Hemp Too Wet:
Mold/Fungai = Life Threatening Dangers

#3 Increasing & Complex Government Edicts
Legislation/Regulation Related to H2O Control

No Easy, Reliable and Affordable Solution
Dry, Cure and Storage: High-Cost, Unreliable,
Labor Intensive

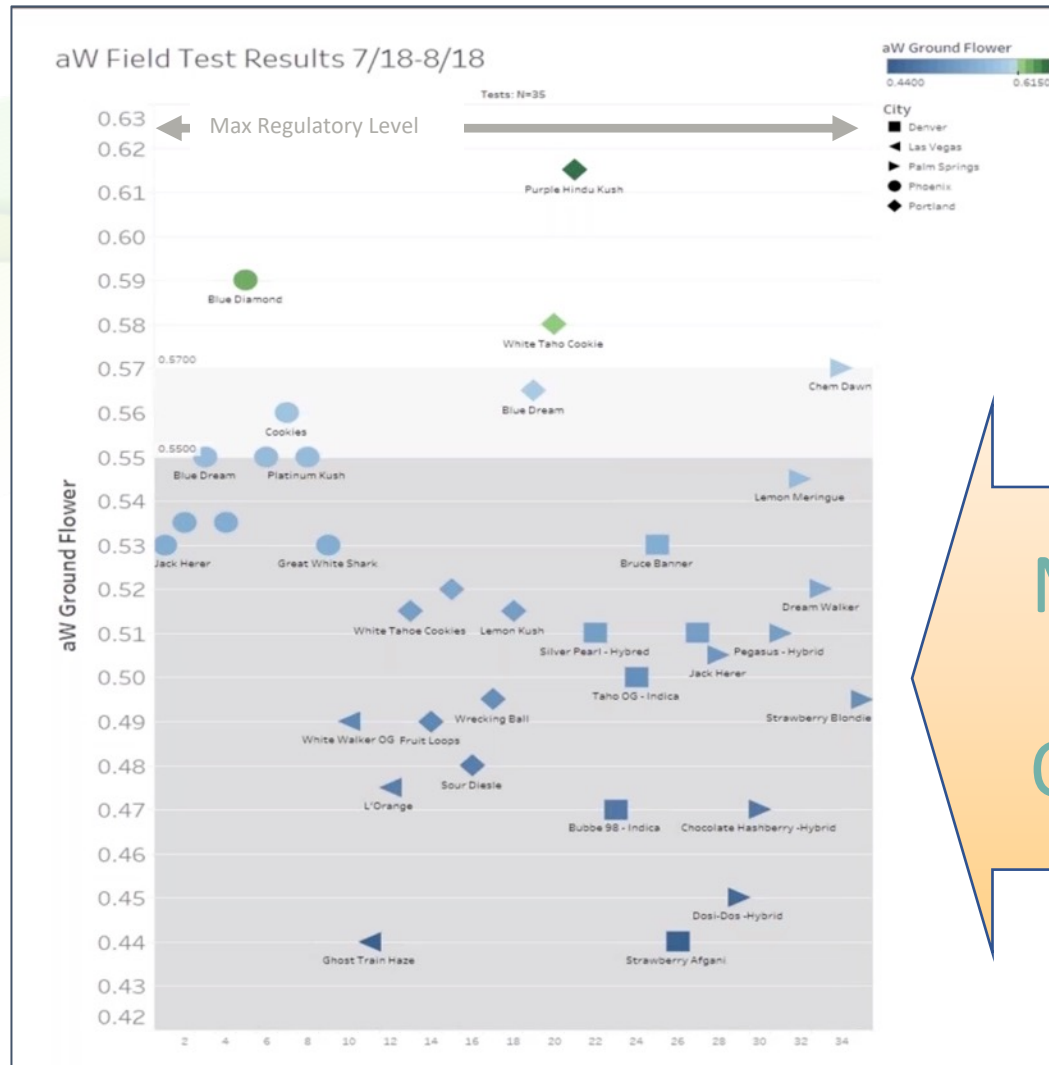
*78% of Cultivators Say That Humidity Control is
"concerning or very concerning" **

HOW'S YOUR FLOWER BY THE TIME IT REACHES THE
CONSUMER?



Recent legislation Examples: Nevada-NAC 453A.654,550, California-CA 19344-5322, Oregon-OAR 333-007-0300 to 0500, 333-064-0100 to 0130, Washington-WAC 314-55-102. *Source: Cannabis Business Times (CBT) "Smart Humidity Special Report" July 2017

DRY PRODUCT: AN INDUSTRY WIDE PROBLEM!



2018 Field Tests*

- 5 States
- Multiple Suppliers
- Multiple Packing types

The industry is throwing away huge bucks!!

Margin Loss

Quality Loss



*Source: Boveda Inc. study, 2019

THE INDUSTRY NEEDS PENDRAM!

“ how can a large-scale producer replicate the conditions of a home grower or craft producer that produces small batches of plants? It will require the replication of ideal drying and curing conditions on a grand scale with no shortcuts and complete attention to every detail en masse ”

” Having multiple (smaller) dedicated drying areas that can constantly be fine-tuned is critical to achieve this level of terpene and moisture-content quality..... ”



Kenneth Morrow, Trichome Technologies, December 2020

SMART-LID/SMART-WARDEN WITH “INTELLISPHERE”

The Only Intelligent, High-Tech Solutions for Compact, *Precise Atmospheric Control*



Problems #1, #2 and #3 Solved:

- Adds/Subtracts Moisture = Perfect Atmosphere
- Dries, Cures and Stores Automated & Odor Free
- Maximizes Potency, Aroma & Flavor
- Protect Delicate Terpenes/THC/Cannabinoids
- Prevents Mold and Life-Threatening Pathogens
- Integrated Safety Lock and Tamper Detection
- Smartphone App enables Digital Engagement
- Commercial Version: Enterprise Analytics
- Consumer MSRP \$149 @ 65% GM
- Commercial MSRP \$399 @ 70% GM
- Recurring Digital Revenue



SMART WARDEN

UNIQUE VALUE FOR THE COMMERICAL SECTOR - NOTHING LIKE IT!



Pendram Incorporated
12544 High Bluff Dr Suite 400, San Diego, CA 92130
www.pendram.com

PRELIMINARY DATASHEET

Smart Warden Platform

Intellisphere™ Miniaturized Automated Intelligent Atmospheric Control System

Commercial Grade



- | | |
|-----------------------------|---|
| • Patent Pending IAC™ | 100% Automatic Precise Control |
| • Easy To Use | Intuitive interface |
| • Mold/Over Dry Protection | Maximize Profit, Customer Satisfaction |
| • Cost Saving | No burping or A _w testing labor needed |
| • Set and Forget Technology | Comprehensive water management |
| • Repeatable Results | Advanced Edge Software Algorithms |
| • Environmentally Friendly | Zero chemicals, no salts |
| • Enterprise Class | WiFi + Intellisphere™ API Cloud Connected |
| • Stackable/Space Efficient | Cure/Store 36 lbs bud less than 20 sq ft |
| • Ultra-Low Electricity Use | 3 Months on single charge |
| • Secure, Trackable | 24x7 Electronic tamper detection, lock |
| • Transportable | Rechargeable battery operated |
| • Location Tracked | GPS location tracking (*optional) |
| • Anti-Microbial | Chemical Free Sanitize Cycle |
| • Track/Trace Compliance | Metrc/ERP integrations (*optional) |

APPLICATIONS:

- Cultivators
- Distribution
- Dispensaries
- Processors

MODEL - CAPACITY

Model SW250 250 oz
Model SW285 285 oz
Model SW385 385 oz
Model SW440 440 oz
Model SW520 520 oz
Model SW440 440 oz

**WORKING
PROTOTYPE
AVAILABLE**

SIGNIFICANT COMPETITIVE ADVANTAGE



DC-4

\$35,000 + Installation



SMART WARDEN
Perfecting Quality, Efficiency & Predictability



\$499 ready to go

Size		Room Sized	Desktop
Batch level customization		No	Yes
Transportable		No	Yes
Cross contamination protection		No	Yes
36 Pounds Flower Capacity	Installed Price	~\$40,000	Less than \$20,000
	Estimated Annual Electric Bill	\$8,000	\$200
	Room Needed	352 cubic feet	56 cubic feet

Source: Pendram Estimates – Measured Statistics Will Vary

SMART-LID: UNMATCHED CONSUMER BENEFITS



THE SMART-LID eliminates need for salt pack corrosive toxic vapors that alter plant aromas, terpene profiles, colors, textures and presentation...

Critical Features and Customer Benefits	Boveda/Cvault/Stori  Chemical Salt Toxic Vapors	 Burplids/CureCork Aerator	 Grove Bags Standard Mason Jar	Pendram 
Predicts and Prevents Harmful Pathogens				✓
Maximizes Terpene Potency	✓			✓
Airtight and Odor Free			✓	✓
Adds and Removes Moisture	✓			✓
Electronic Safety Lock, Internal Light and Camera				✓
Dries, Cures, Stores All-In-One Maintains Aromas, Terpenes, Color				✓
Environmentally Friendly Chemical Free		✓	✓	✓
Smart Phone Control and Remote Monitoring		✓		✓
4 Year Estimated Cost	Over \$300	\$279	Up to \$10 each	MSRP Starts at \$149
/Estimated Market Penetration	Around 5%	Less than 0.1%	95%	Demand Creation

WHAT PEOPLE ARE SAYING!

SMART-LID



Rev Mary Miller

"know how important this is and my husband and I always thought Cannabis should have its own "humidor" without having to mix strains. Thank you for this product! It's a biggie"



Cindy J.

"Finally, a better and more precise solution than those expensive and unhealthy salt packets we have been using for years"



Mark R.

"We are huge advocates for proper storage of cannabis, so we want to share our 5 Star review of Smart-Lid. Storing bud incorrectly is literally like throwing money away"



Susan L.

"Living in Arizona, dry weed has always been a major problem....Smart-Lid solves this problem and has many other benefits I absolutely love!"



Thomas G.

"Amazing Results and many cool features....game changer in the cannabis storage category"



Freddie G.

"A no brainer for any cannabis connoisseur and anyone buying different strains or large quantities. It will keep your buds perfect in any conditions, automated and odor free"

SMART-WARDEN



Lance C. Lambert
Vice President of Marketing & Business Development, Greenbroz Inc

Previously:
Head of Herbal Business Unit, Boveda Inc.

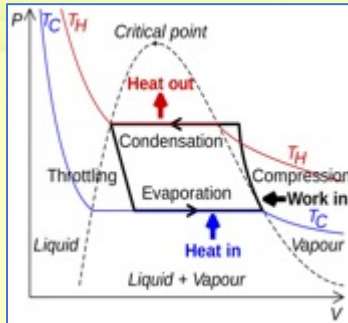
"Boveda is a band-aid – This is the real solution the industry has been looking for"

TRADE SECRETS & PENDING PATENTS = UNFAIR MARKET ADVANTAGE IP

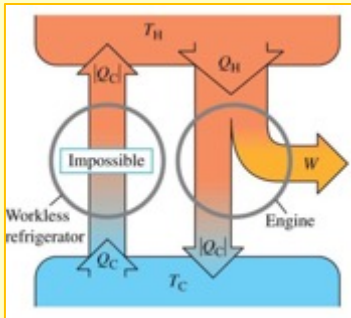
Pendram
Intellisphere Technology
and SmartStor System Cloud



Challenge



Carnot Cycle



2nd Law Thermodynamics

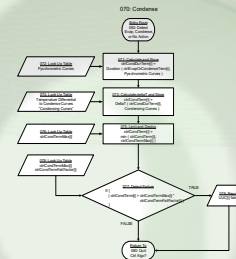
Tamed

Advanced Design
Max Efficiency

$$\eta_{th} = W_{net}/Q_H = 1 - (Q_L/Q_H) = f(T_L, T_H)$$
$$\eta_{th} = 1 - (T_L/T_H)$$

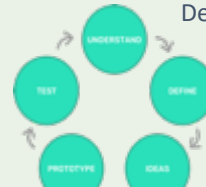
Coefficient of Performance >200%

Advanced
Software
Firmware



$$X = V_{des} + K_p e(t) - K_I \int e(t) dt$$

200+
Thermo-Electro-Mech
Design Iterations



Product Advantage

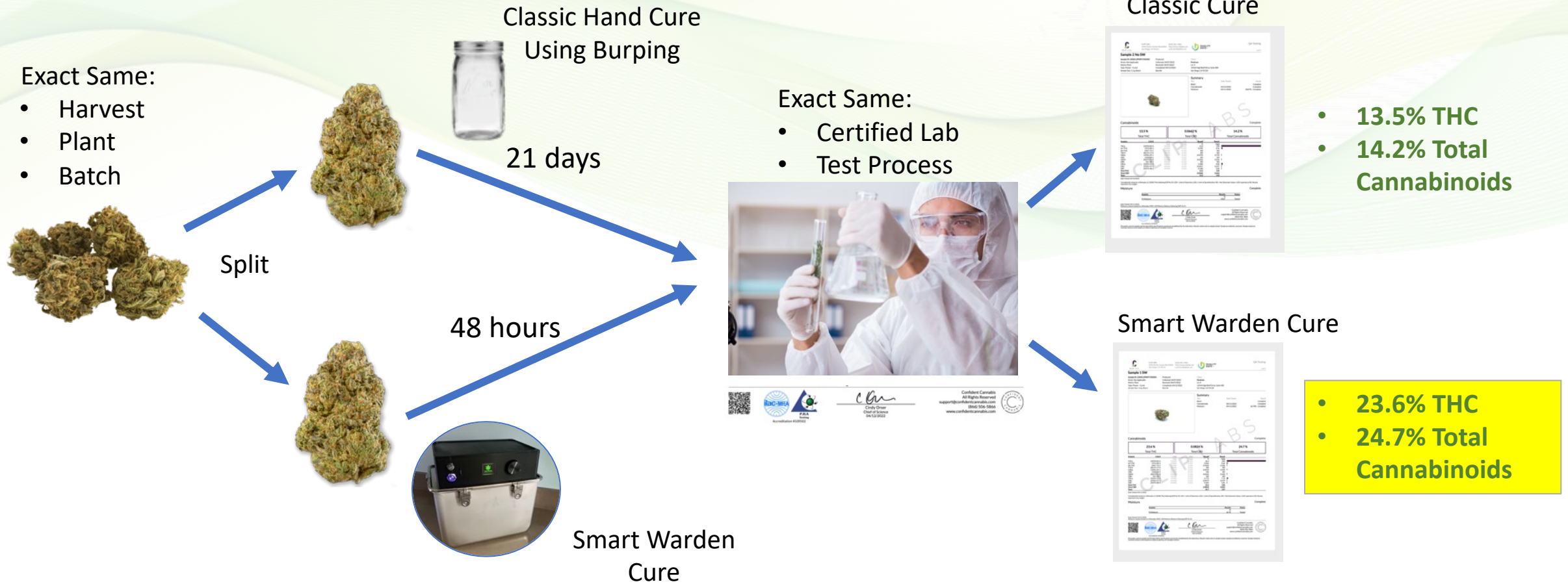
Precise and Accurate
Control

Actively Adds/Subtracts
Humidity

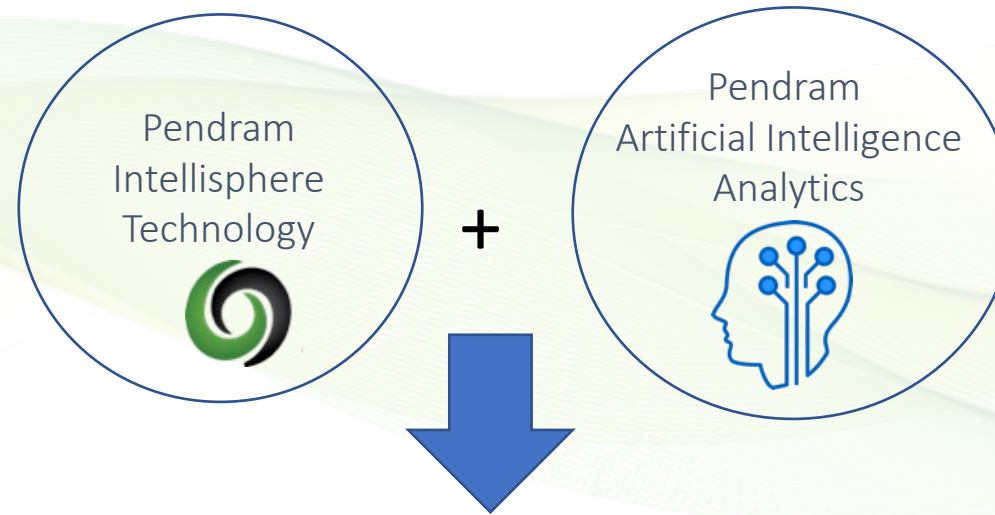
Predicts Curing Process


Miniaturized
Technology

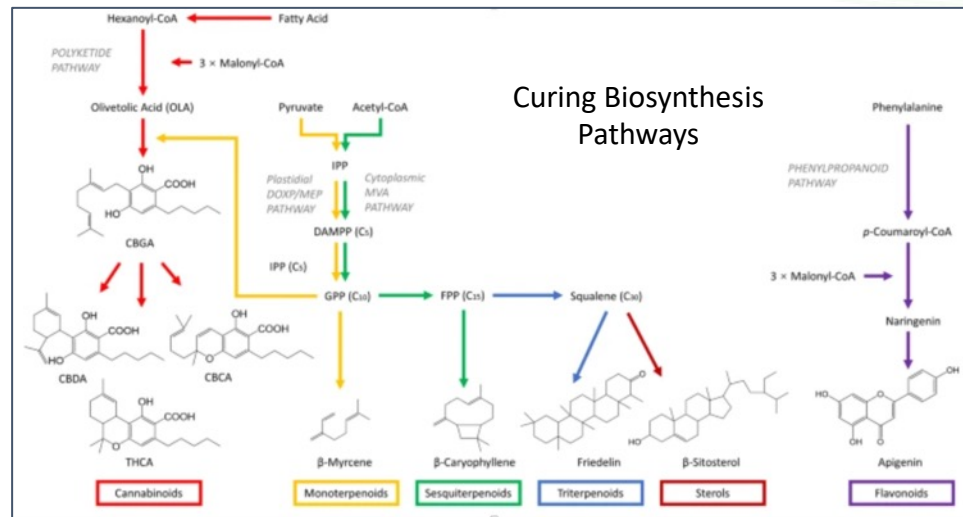
Curing Test: 70% increased potency 80% Time Reduction



UNIQUELY PLACED TO DRAMATICALLY IMPROVE CURING



Pendram is working with a state-of-the-art ISO-17025:2017 accredited lab partner using Shimadzu Instrumentation.  **SHIMADZU**
Excellence in Science



HIGHLY OPTIMIZED CURING

- Accelerating Production Throughput
- Aroma, Flavor Perfection
- Potency Maximization
- Customized to Cultivation
- Customized to Strains
- Scientific, Automated, Predictable



The Smart Choice For Precise Storage Conditions

Seal of Quality

We'll use our unique, cloud connected products to
create a new cure to consumption

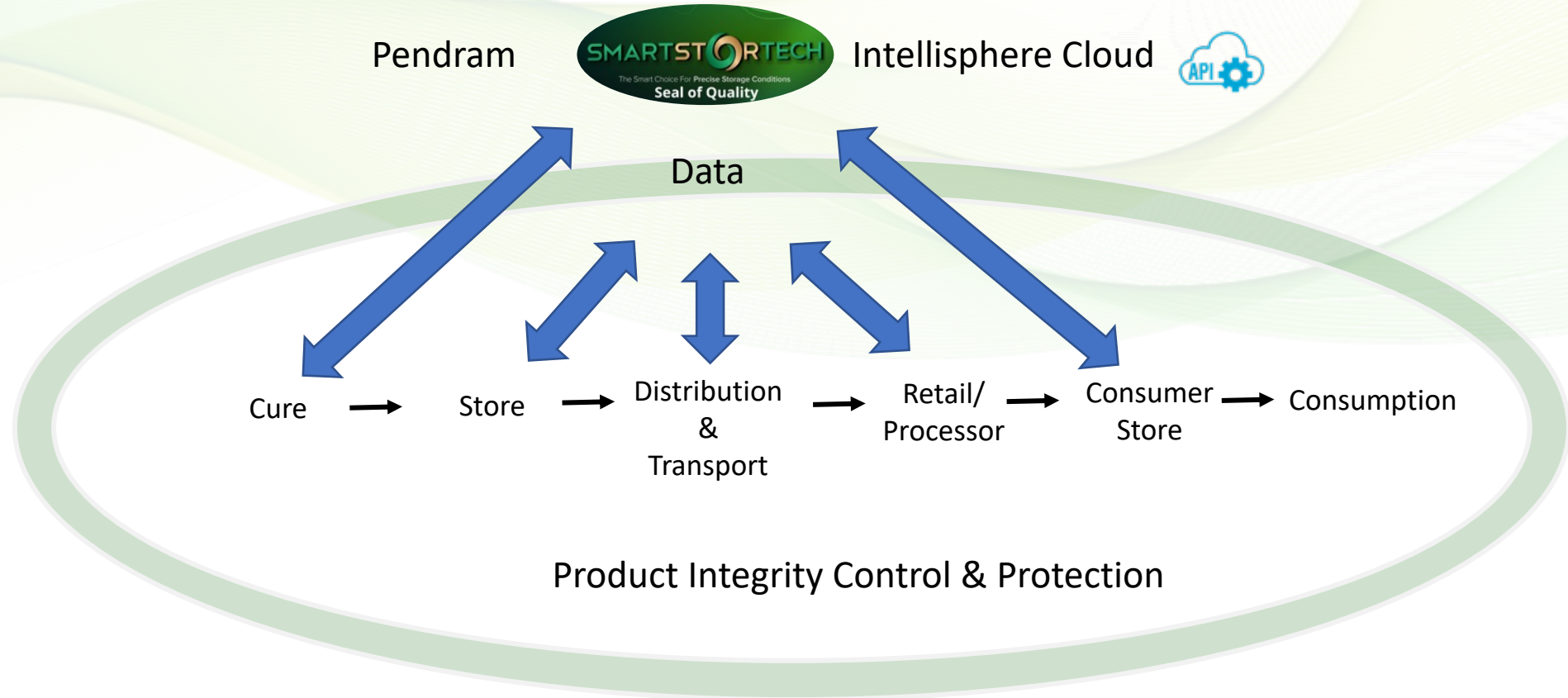
SmartStorTech SEAL OF QUALITY...

- Delicate Terpenes Protected
- Consistent Flower Quality
- Consumer Safety, Confidence & Satisfaction
- Unique Differentiation for Brands

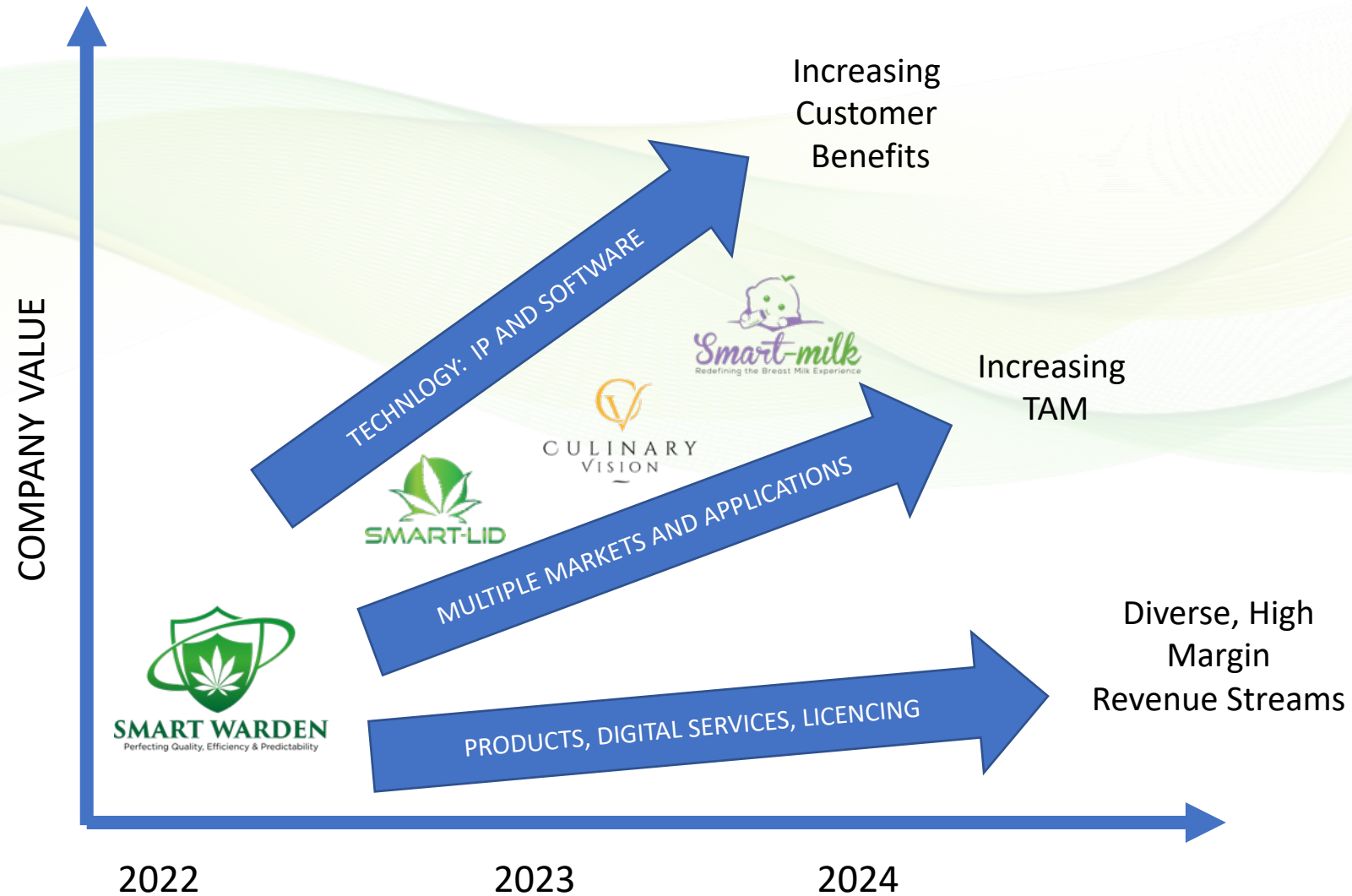
We will also leverage market presence to create valuable data to create
artificial Intelligence insights using our Intellisphere Cloud



MAJOR OPPORTUNITY TO CREATE A “SEAL OF QUALITY” CURE TO CONSUMPTION BRAND + GATHER VALUABLE DATA



BUILDING REVENUE, MARGIN & VALUE



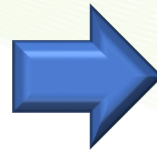
HUGE REVENUE + RECURRING OPPORTUNITY

SMART LID/WARDEN PLATFORM – CANNABIS ALONE

..... The cannabis accessories industry is by far the **hottest category and biggest growth area in the market..**" Joseph Keller Cannabis Investor News

Consumer

Premium Segment DTC
Brand Label Opportunities



Est. Annual Potential \$4B *

4M Units/year + Recurring Services = \$0.5B Revenue

+

Consumer DIY

"Grow Your Own" DTC



10M Units/year + Recurring Services = \$1.5B revenue

+

Commercial

Artisanal Brand Curing
Distribution and Retail



0.8 M Units/year + Recurring Services = \$2B Revenue

*Sources: Pendram Analysis, Cannabis Consumers Coalition: 2017 Report on Cannabis Consumer Demographics and Consumption Habits.

STRONG POSITION

Proprietary IP:

- Cross-disciplinary technology
- Complex hardware, software, algorithm design
- Leverage data to extend benefits through AI and ML
- Solid IP, patents trade secret strategy

Market Timing:

- Industry margin/profit squeeze
- Legislation momentum
- The macro trend towards product quality, integrity, and safety
- Rapid growth – new markets, new consumers



Low Risk Engineering to get to Mass Production

<u>STAGE</u>	<u>OBJECTIVE</u>	<u>TIME PERIOD</u>	<u>REMAINING COST</u>	<u>RISK</u>
Market Inspiration. IAC Concept	The spark	Done	\$0	HIGH (completed)
Technology Core Formulation	Analysis and simulation to show theoretical feasibility	Done	\$0	HIGH (completed)
Design, Test and Iteration of Core Systems	Demonstrate practical IAC operation with available commodity components	Done	\$0	HIGH (completed)
File key patents	4 Patent filed to cover IAC implementation in the four product form factors	Done	\$0	HIGH (completed)
Initial Prototypes Design & Build	Establish basic operation in target form factors. Complete initial iPhone App	Done	\$0	HIGH (completed)
Second Prototype (Smart Warden Prototype 2.0)	Improve performance and correct key bugs found in Proto 1.0	Done	\$0	HIGH (completed)
Engineering Validation Test (EVT)	Several units that function as expected, meeting all functional requirements	Estimate 4 months	\$400,000	LOW
Design Validation Test (DVT)	Multiple units that meet all functional and cosmetic/appearance requirements	Estimate 3 months	\$300,000	LOW
Production Validation Test (PVT)	Meet all manufacturability metrics, including process capabilities, first pass and rolling throughput yield.	Estimate 3 months	\$300,000	LOW

Analysis based on multiple Pendram assumptions. Final schedule and functionality are subject to change.

FOUNDING TEAM



Mary June Makoul
Chief Executive Officer
“Market and Marketing Black Belt”

- Entrepreneur and Cannabis Angel Investor with over 25+ years expertise in strategic marketing, business development and consumer products.
- Numerous accolades and awards for branding, creative design, retail packaging and new product positioning.
- Held senior high level management positions at Paramount Pictures Corp, Proxima Corp and Fiskars.
- Business Consultant and Board of Directors Advisor.
- BA in Business Administration and Marketing from New York University.



Jon Siann
Founder & Inventor
“The Nerd”

- Entrepreneur, inventor and design engineer with over 40 successful patents.
- Closed an 8-figure licensing non-dilutive deal with Verizon and leveraged \$2.8M in angel equity funding into a \$24M all cash acquisition exit within 14 months of incorporation.
- Held high level executive, technical and marketing positions at IBM Labs, Peregrine, Netlist, Rockwell, Brooktree, AMCC, Bretelon, Micropower & Sigma Designs.
- EE from University of Edinburgh, UK