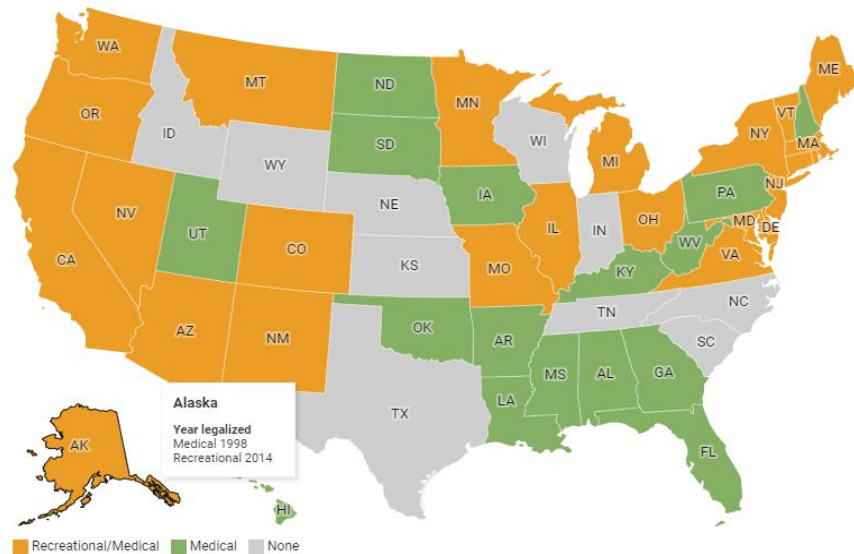




ACCELERATE MINNESOTA

Minnesota Overview

Where marijuana is legal in the United States



Market Details

Since Colorado in 2010, the creation of various medical and recreational markets throughout the United States has led to a continuous supply of emerging markets, each with its own unique regulatory agency and market specifics. States can be split into four (4) main categories:

- Market Type: **Medical** vs **Recreational Markets**
- License Type: **Limited** vs **Open Licenses**
- Application Type: **Competitive** vs **Lottery**
- Applicant Type: **Regulator** vs **Social Equity**

Minnesota Opportunity

Minnesota is a brand-new **Recreational** market (2024), with ~180 **Limited Licenses** to be awarded in 2024, only to **Social Equity** qualified individuals through a **Lottery**.

- Market Size: The state has over 5.7M residents, with **\$1,500,000,000 projected annual market**, and is surrounded by states with either medical only, or no cannabis markets.
- Similar Market: Maryland, launched in September 2023, over 6.2M residents, currently on pace to exceed \$1.5B in annual sales. Maryland only had 875 retail lottery applications.
- Social Equity: Both states required all applicants to be social equity verified. For Minnesota, this is restricted to members of the **veteran** (incl. National Guard) and **disadvantaged** communities.
- License Valuation: Limited Licenses valuations ranging from \$5,000,000 to \$20,000,000, depending on the license type and location of license.

Accelerate Minnesota

ACCM is a private entrepreneurial accelerator program focused on the Minnesota recreational cannabis market. As a business accelerator, we provide access to funding, operations, training, education, marketing, real estate, staffing &



application services. We leverage our considerable cannabis experience to work with our social equity partners to secure licenses and create highly valuable businesses in cannabis markets – all at no cost to our partners.

Accelerate Minnesota intends to partner with over 250 social equity applications for licenses in the Minnesota state lottery. This will maximize the likelihood of the Program being awarded multiple licenses that can be placed around the state to best serve the rural & urban communities of Minnesota.

Application Process

Minnesota is requiring that social equity applicants be verified through the “Verification Portal” prior to submitting for lottery placement. **The deadline is July 10, 2024.**

- Verification: 06/24/24 - 07/10/24
- Application: 07/24/24 - 08/12/24

This verification is a free service that involves creating an account within the state’s portal, providing information for a background check, and uploading documentation proving social equity status. For veterans, acceptable documentation includes a DD214, an NGB Form 22, or, if currently serving in the National Guard, an Official Status Document. More information and access to the portal can be found here: <https://mn.gov/ocm/businesses/equity-applicants/resources.jsp>

Accelerate Steps

- Step #1: sign on to MNOCM website, and provide veteran ID or other proof at no cost
- Step #2: sign up for Accelerate Minnesota program, wherein ACCM will submit applications for all social equity individuals, provide all funding & real estate and provide operational services.
- Step #3: attend quarterly board meetings with ACCM after operations have been commenced

Social Equity Consideration

- If Awarded a Lottery License:
 - Success Fee: Lump Sum Payment of \$10,000
 - Annual Distribution: Significant percentage of Net Profit (post retained earnings)
 - Monthly Board Salary: \$2,000/month
 - Exit Strategy: 10% of Sale Price
- If Denied a Lottery License:
 - Success Fee: Lump Sum Payment of \$1,000
 - Monthly Board Salary: \$100/month

Confidentiality

The information in this document is to be considered as confidential and/or privileged information. It is to be considered to be the property of Accelerate Minnesota, LLC, prepared by company leadership in furtherance of working with various community members from the United States within the cannabis market regulated in the State of Minnesota and managed by the Office of Cannabis Management (“OCM”). The content in this document is intended to only be reviewed by individuals that intend to join the Accelerate Minnesota program. Such individuals recognize the confidential nature of this document, and agree to restrict any communication regarding this document to leadership and representatives of Accelerate Minnesota. Any individuals that do not qualify as potential members of Accelerate Minnesota are hereby notified that any review, dissemination or copying of this document and the information contained herein are prohibited. If you have received this document in error, please immediately notify the sender by the most recent method of communication and delete this document from your records.