



Tag-it Tech, Inc.



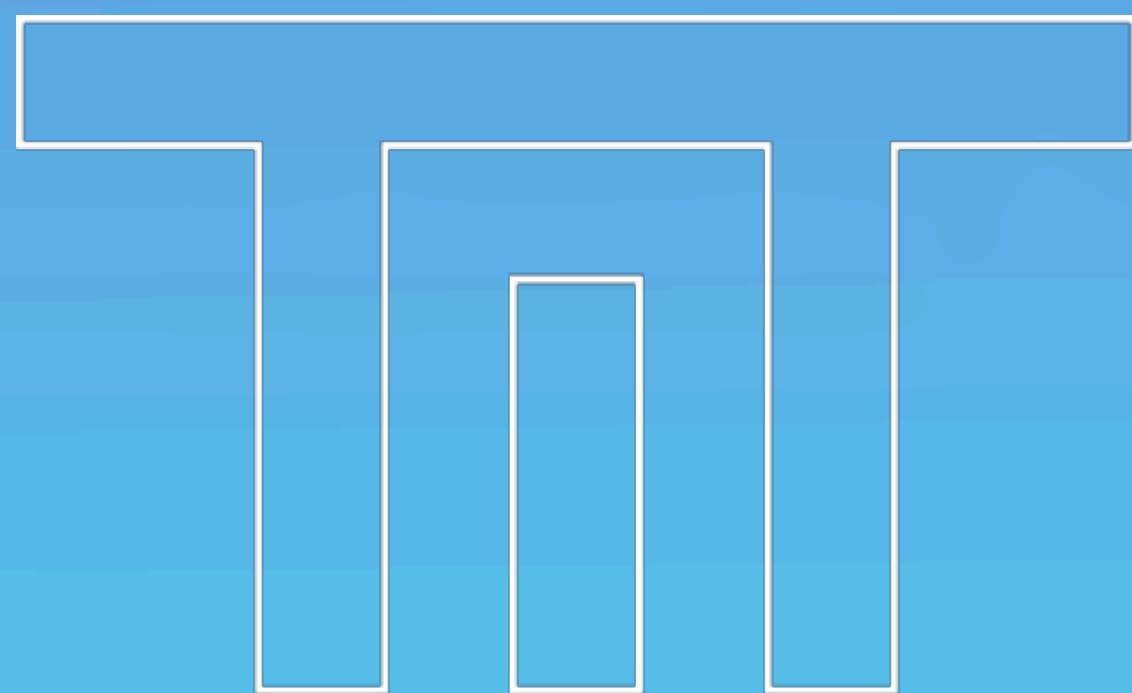
“It’s simple. No other authentication solution can be trusted. Barcode, QR, Serialization; nothing. Tag-it Tech is the best available technology. Period.”

Steve Goetz, Founder - Imperial Motion Mfg.



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[click to play video](#)



TAG-IT TECH™

A Revolutionary Nanotech Tracking System



tagittech.com

v01_4.2018

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OUR MISSION

Reinvent the Future of Product Tracking

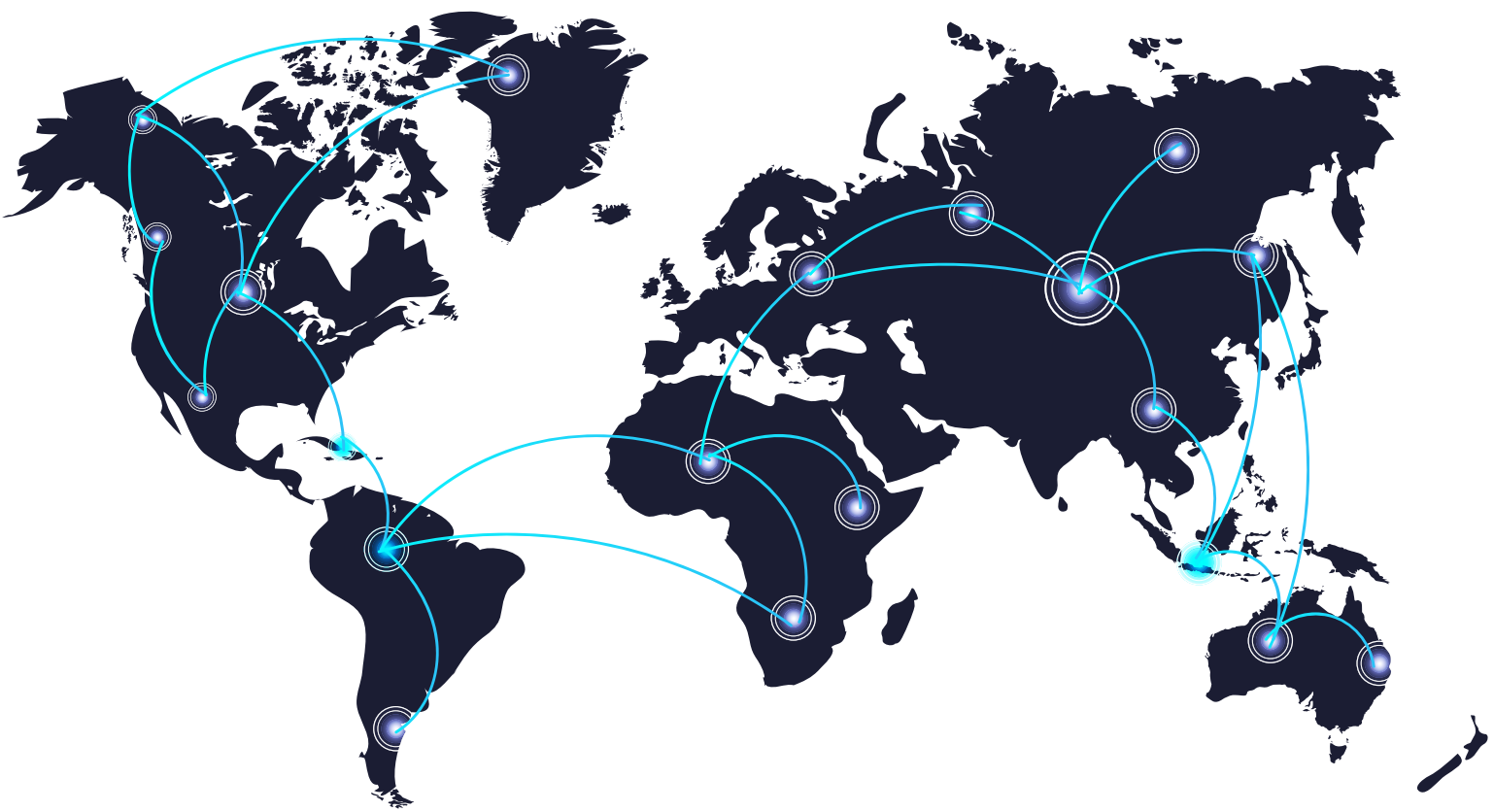
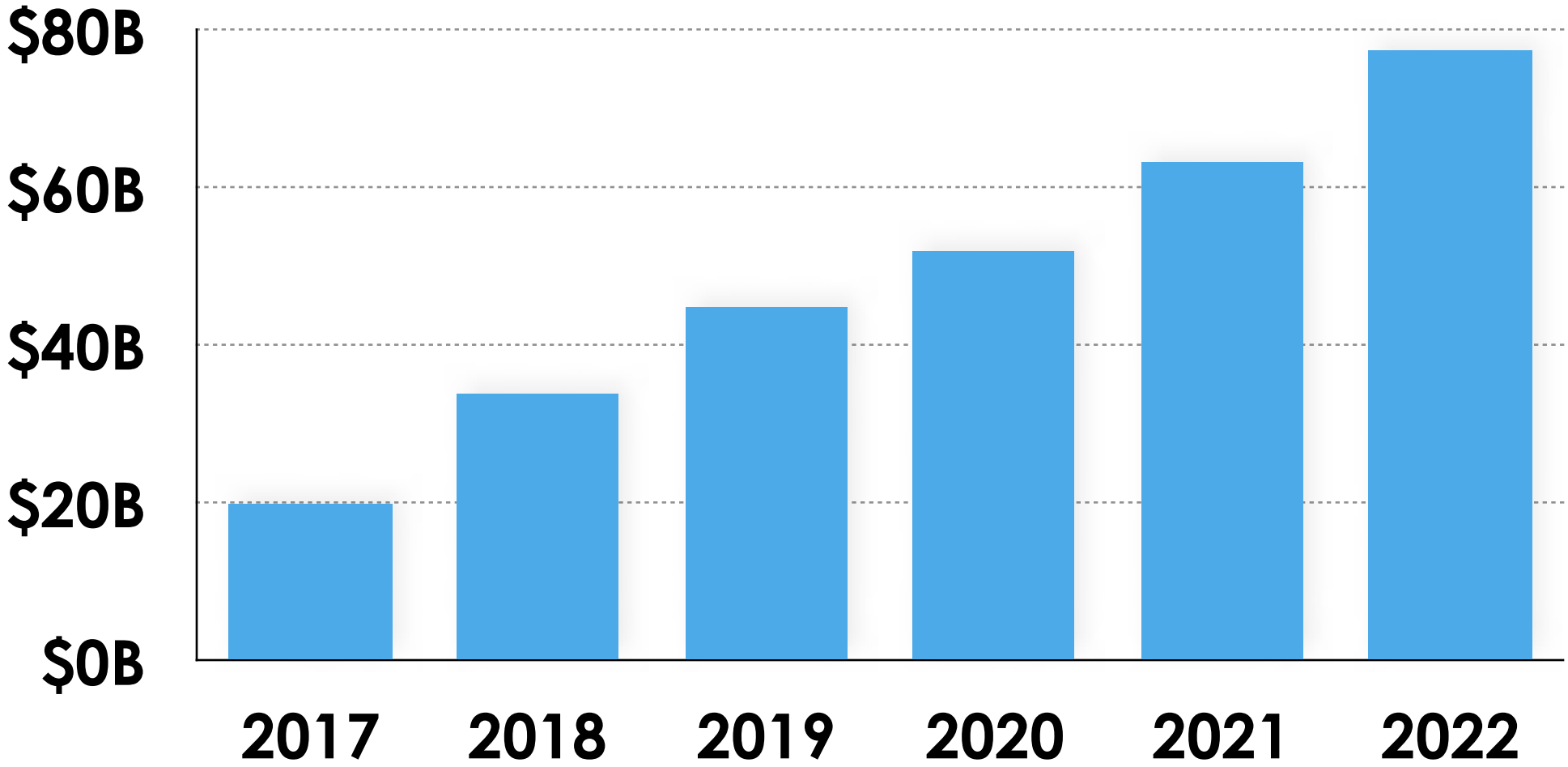
Provide a tracking solution that prevents brand counterfeiting, enables transparent interstate and international trade, deters black market trade, and enables fair tax revenue sharing across jurisdictions.



[click to play video](#)

CANNABIS INDUSTRY GROWTH

U.S. Cannabis Industry Total Economic Output



KEY FIGURES:

- 87% of all cannabis sales still come from black or grey market sources
- USA accounts for 90% of global sales
- Canada is the first North America country to legalize
- 35 states projected to manage recreational programs
- Fastest growing major industry in USA today



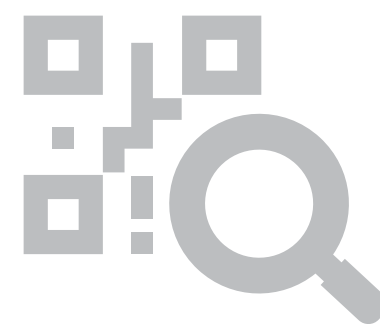
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THE PROBLEM

CONVENTIONAL TRACKING TECHNOLOGIES ARE FAILING THE CANNABIS INDUSTRY AND CONSUMERS ALIKE

BARCODES, QR CODES, RFIDS, NFC'S ARE YESTERDAY'S TRACK & TRACE TECHNOLOGIES:

- THEY ARE VISIBLE
- PROVIDE DIGITAL TRACKING RECORD
- EASILY COPIED, ALTERED, OR HACKED
- EASILY REMOVED FROM THE PRODUCTS THEY TRACK
- CAN NOT AUTHENTICATE BRANDS OR VERIFY THE ORIGIN OF PRODUCTS

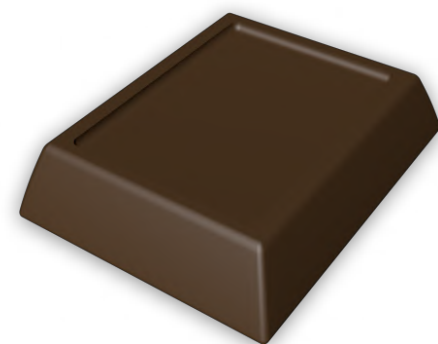
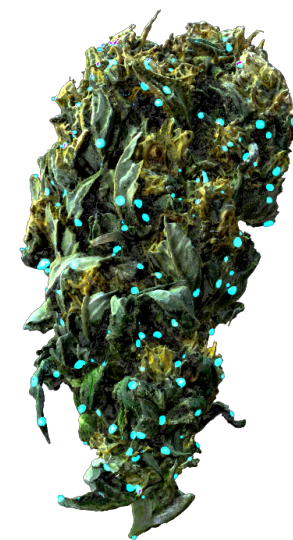


THE SOLUTION

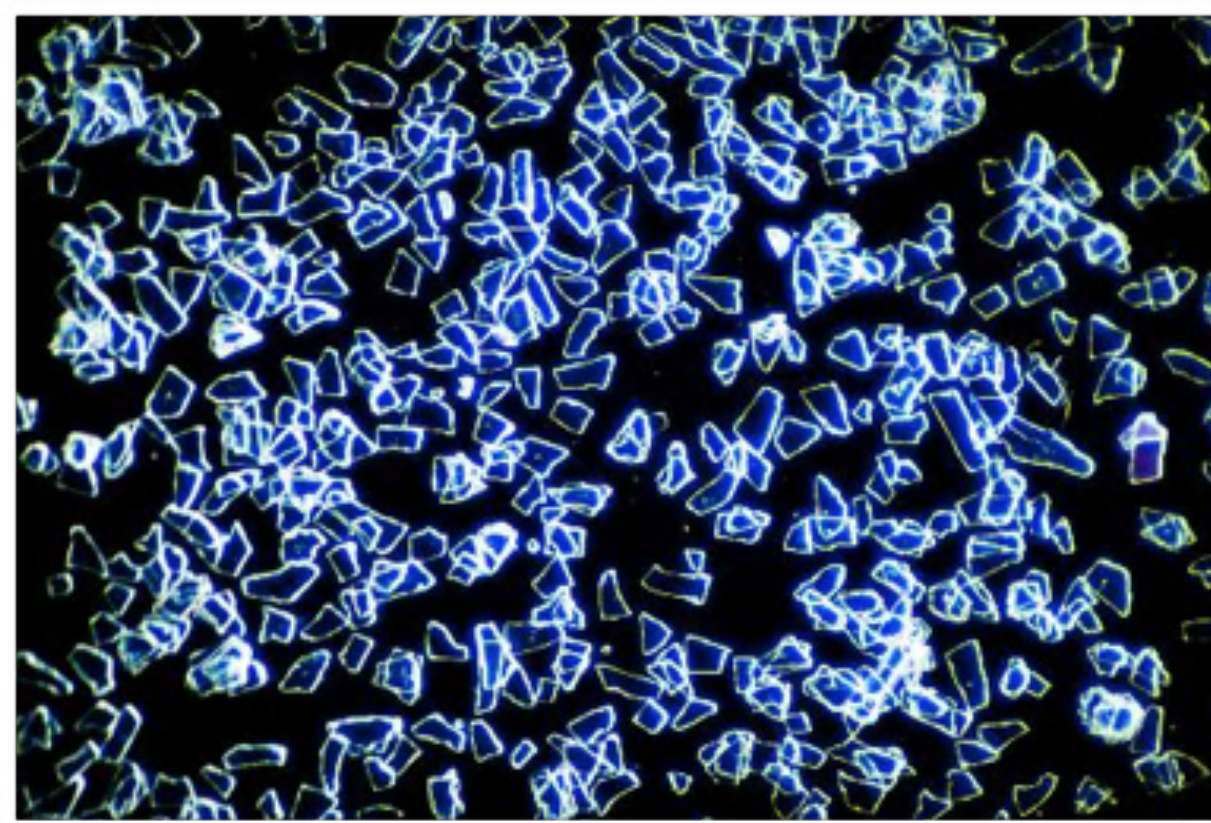
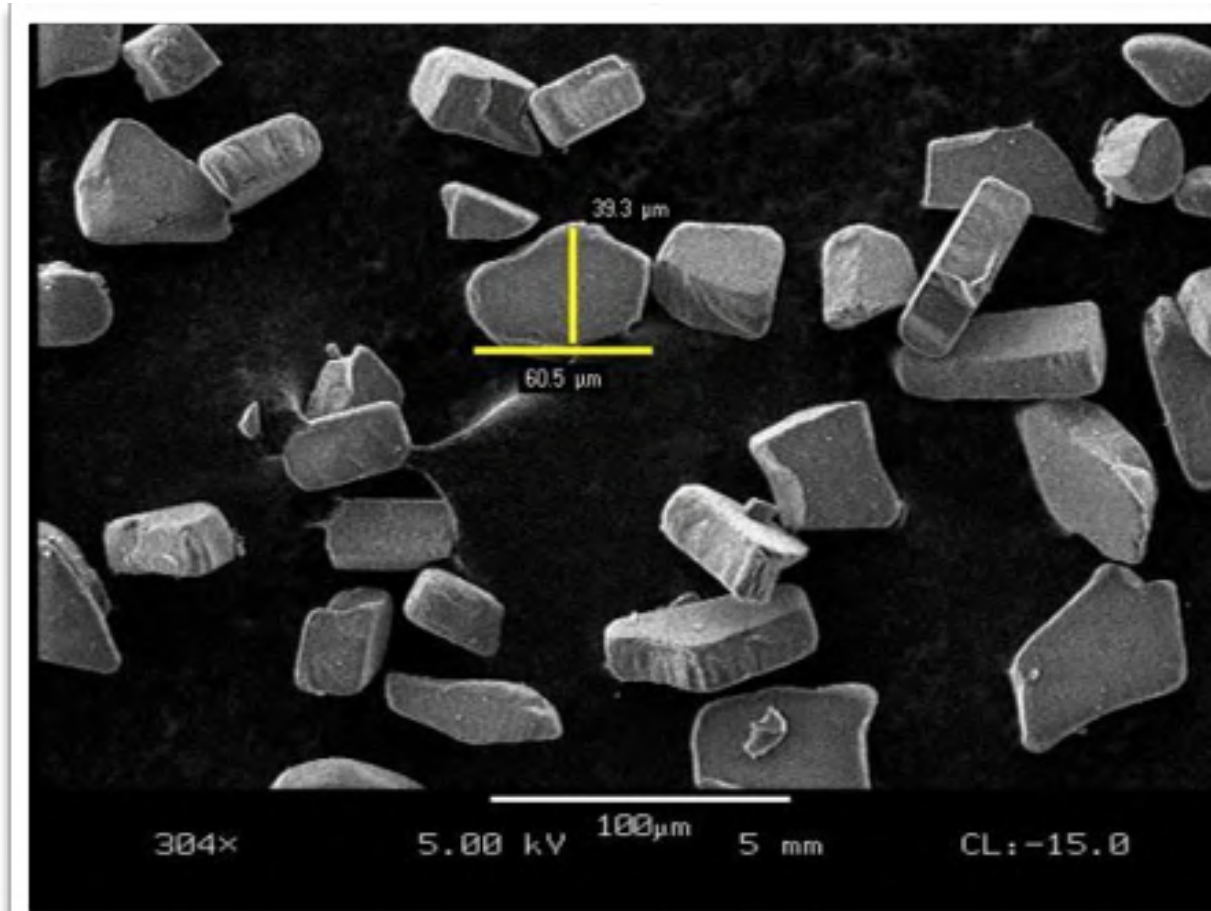
TAG-IT TECH APPLIES PHYSICAL ANCHORS CALLED TRUTAGS[®] TO PACKAGING OR DIRECTLY ONTO PRODUCTS.

TRUTAGS ARE SUPERIOR BECAUSE:

- THEY ARE INVISIBLE
- PROVIDE A PHYSICAL TRACKING ANCHOR
- CAN NOT BE COPIED, ALTERED OR RENDERED INEFFECTIVE
- CAN NOT BE REMOVED FROM THE PRODUCTS THEY TRACK



WHAT ARE TRUTAGS?



- TruTags® are microscopic particles made from pure inert silica, the same essential mineral that master cannabis growers use as an organic growth supplement for their plants.
- Applying pure silica TruTags® is a biomimicry methodology that does not change the biochemistry of Cannabis plants or otherwise modify their healthy organic growth and development.
- TruTags are very small (10 to 50 microns) and difficult to see with the unaided eye.
- TruTags® use a proprietary optical signature coded onto the surface of the silica particles that enable proprietary scanners to read unique product identification data in seconds.
- TruTags® are manufactured at only one location in the world, using proprietary nano-technology that can't be copied.
- TruTags® are recognized as safe for human consumption by the US-FDA & OSHA standards.

PATHS TO MARKET

MARKETS WE SERVE:

RECREATIONAL CANNABIS (THC), MEDICAL CANNABIS (THC & CBD), HEMP (CBD, CBG, CBN), global packaging industry.



PHASE 1: COMMERCIAL

**Authentication
for International Brands**



PHASE 2: PUBLIC SECTOR

**Track & Trace for
Licensed Cannabis Programs**

SERVICE THAT SOLVES PROBLEMS

PHASE 1

AUTHENTICATE BRANDS

Brand counterfeiting and intellectual property theft is a challenge for Cannabis product providers.



Tag-it Tech provides invisible packaging solutions designed to effectively deter brand and product identity theft.

PHASE 2

ENABLE CROSS BORDER COMMERCE

Tracking Cannabis products across state and international border is a growing problem.



Tag-it Tech tracks Cannabis products and enables revenue sharing across state and international borders.

GENERATE VICE TAX REVENUE

Estimates indicate only five percent of the total Cannabis market will be licensed and taxed by 2020.

1 2 3 4 5 6



Tag-it Tech deters black market trade in Cannabis, thereby increasing vice tax revenues.

HELP LAW ENFORCEMENT

Law enforcement is unable to easily identify legal vs. illegal Cannabis products.

7



Tag-it Tech provides law enforcement with a new tool that can identify the difference in seconds.

CELL PHONE TECH

State of the Art Consumer Technology

Cell phone enabled instant read authentication technology

Tag-it Tech's state of the art consumer authentication technology enables mobile phones to read TruTags. Custom built environments can be personalized for individual brands and regulatory requirements.



[click to play video](#)

LAW ENFORCEMENT HARDWARE

NTS® Hyperspectral scanners are easy-to-use handheld units capable of identifying coded silica TruTags® in seconds, and syncing identification data in real time with licensees and law enforcement agencies.



- RFID capability. One scanner for all systems.
- Authenticate and identify provenance of millions of batches, thousands of objects.
- Intuitive aiming system – make contact and press trigger.
- 3.5" color touchscreen delivers images and detailed item information in three seconds.
- Cellular, Wi-Fi, and USB 3.0 connection.
- Captures high-resolution, snap-shot 3D images, yielding a spectrum at each pixel for the visible through near-IR(400 – 1000 nm) wavelength range for up to 550 bands.



This scanner received the 2017 Prism Award for Handheld Hyperspectral Imagers.

HOW THE PLATFORM WORKS



1. Tag Products

Apply TruTags on all products, at every level of the supply chain .



Industry & State Users



Track & Trace
Platforms



4. Provide Intelligence & Reporting

Help producers better understand their consumers and law enforcement control their licensees and state tax programs.



Authenticating Apps
(existing & new)



Consumers &
Distributors Users



2. Generate Product Records

Link product information to TruTags in the ledger database.



TRUTAG: 00101010001

{Tag}
{Producer}
{Product}
{Batch}



3. Scan & Authenticate Products

Scan products to authentic brands and verify product origin. Provide consumers with product information that links a story.

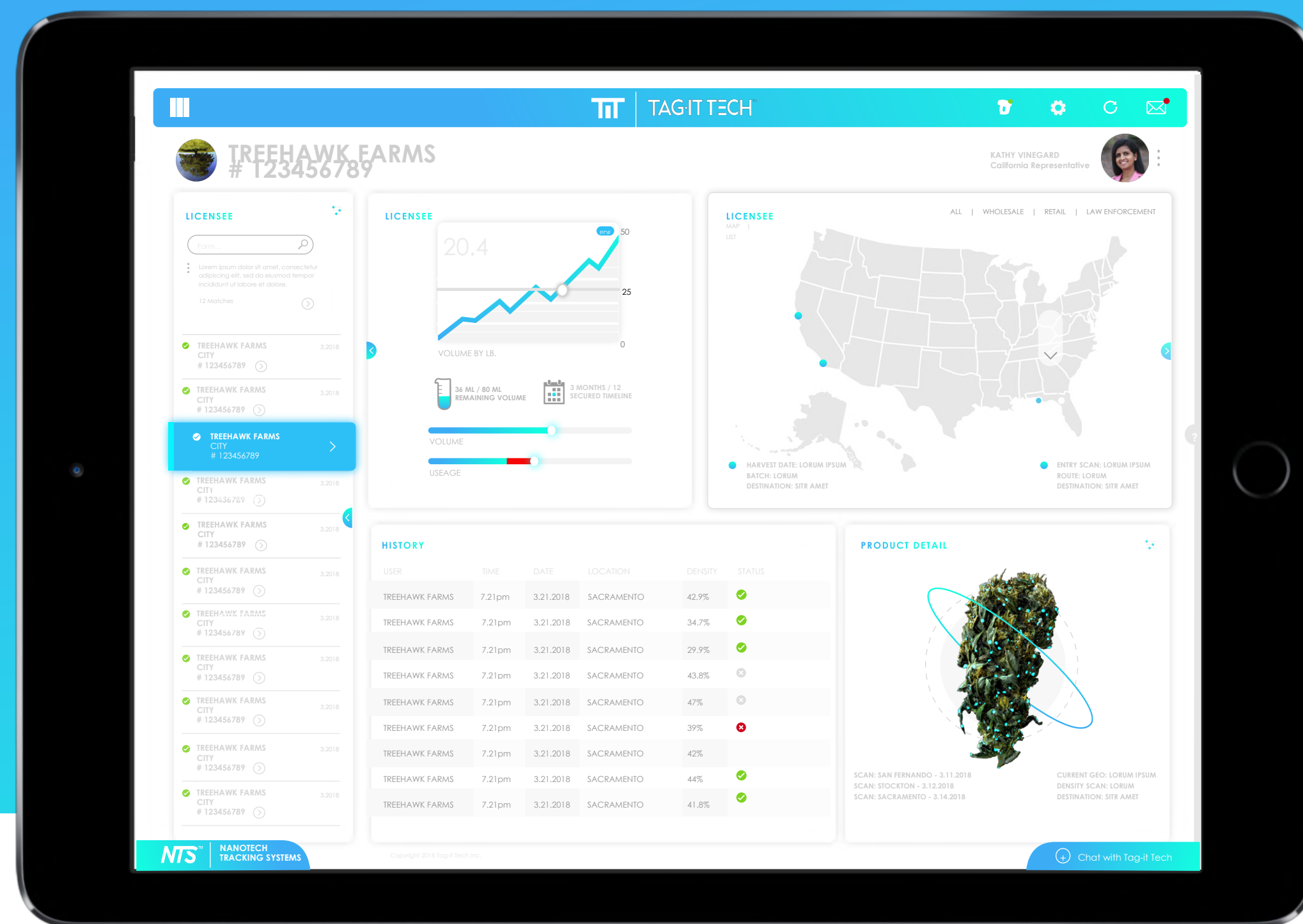


NTS ADVANTAGES

Tag-it Tech's NTS® platform uses a verifiable data structure technology called Trillian (GOOGLE) that provides transparent crypto verifiable transaction logs.

NTS® provides governments and businesses with tracking solutions needed to trade authenticated products across jurisdictional lines.

- Easy to use cloud based system.
- 100% secure blockchain data authentication.
- Real-time global product tracking
- Comprehensive government solutions
- Open API - third party integration.

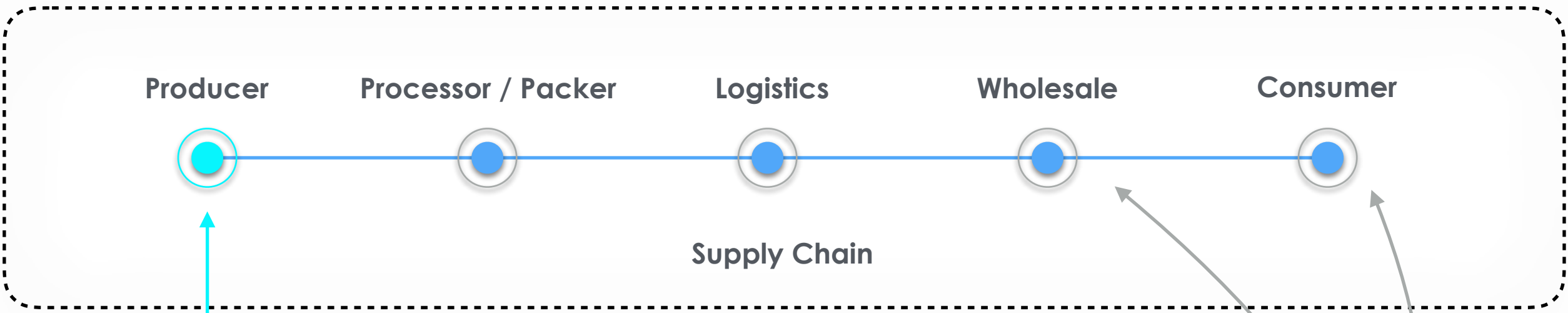


100% AUTHENTICITY

100% Authenticity requires both a digital record & a physical anchor on products

Currently digital records generated by conventional tracking technologies like Barcodes, RFID and NFCs are vulnerable to tampering, manipulation, counterfeiting & fraud.

Digital records don't prevent products from being swapped or diverted in the supply chain.



TruTags are invisible physical anchors that are applied directly onto products.

TRUTAG: 00101010001

Physical Anchor Applied

Brands are authenticated and the origin of products verified by scanning TruTags physical invisible anchors that can not be removed from the product



SYSTEM BENEFITS

● **RECOGNIZED AS SAFE**

TruTags® comply with United States FDA; OSHA and DOA-NOP quality and safety standards. They are currently applied and consumed safely in today's pharmaceutical and nutraceutical industries.

● **FASTER SCANS**

TruTags® can be easily read in seconds with a cell phone (for use on packages) or a hyper spectral scanner (for use on cannabis products).

● **EASIER TO APPLY**

TruTags® are easily applied to cannabis packaging, edibles, concentrates, flowers and plants with ambient air or pure water. Typically, applying taggants is straightforward, require little or no changes to existing operations or special equipment.

● **MORE SECURE**

Unlike barcodes or RFID and NFC tags, TruTags® are invisible on cannabis products and packaging and they cannot be modified, copied, counterfeited or removed from the products they protect.

● **MORE RELIABLE**

TruTags® are more durable, shelf-stable and resistant to degradation than any other tracking technology.

● **LOWER COST**

Tag-it Tech's NTS is cost competitive with all competing systems including those based on barcodes; RFID and NFC tags, and DNA molecular markers or barcodes.

KEY DEVELOPMENTS

- ✓ 1. Most significantly, we've negotiated a long term and renewable 5 year global commercial agreement with Trutag Technologies (our technology partner).
- ✓ 2. The newest technical advance is a cell phone enabled taggant scanner
- ✓ 3. We successfully demonstrated commercial scale taggant applications in concentrate oils and on infused edibles at the Golden Leaf Holdings processing facility located in Portland, Oregon.
- ✓ 4. We also successfully demonstrated commercial scale printing applications of Tag-it Tech's CovertCoat® on product packaging at a large USA RR Donnelley print facility. We are successfully taking and filling orders for print & packaging applications with licensed Cannabis firms.
- ✓ 5. Signed LOI for JV with GenCanna Global a hemp industry leader.
- ✓ 6. We are currently developing a new CovertCoat® product designed for use on hemp seeds in cooperation with TruTag and [Incotec](#). It is an organic rated clear seed coating that will serve as a safe and convenient medium for adhering taggants to the surface of hemp seeds.
- ✓ 7. Liquid gel capsules suitable for encapsulating hemp oil and and two-piece capsules suitable for encapsulating isolate have been developed by Trutag Technologies and Lonza-Capsugel. The capsules are now available via our new commercial agreement with Trutag.

INTELLECTUAL PROPERTY / ASSETS

1. Tag-it Tech Non Provisional System Patent.
2. Below are the TruTag patents that we are covered under for our agreement as well.
Under the commercial agreement we are covered by TruTags several systemwide US patents for use of our technology: (including 8,596,546; 8,991,697; 9,430,771; 8,881,972; 9,033,213).

Additionally, a more fulsome list of US patents that cover the TruTag® marking system include: 8,453,929; 8,511,557; 8,596,546; 8,636,213; 8,833,656; 8,881,972; 8,991,697; 9,033,213; 9,251,452; 9,430,771; 9,501,670; 9,523,634; 9,677,935; 9,798,903; 9,799,541; 9,927,299. Additional patents are also issued or pending in the U.S. and elsewhere.

INVESTMENT & USE OF FUNDS

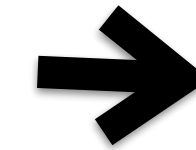
SEED - 2019

\$1,061,000

"SAFE" Convertible Note
with an 18% Discount on
A Round Financing

USE OF FUNDS: DEMONSTRATION PHASE

- 2019 License Fee
- Application Testing
- Hardware Development
- Software Development
- Payroll Expenses
- Legal



MILESTONES

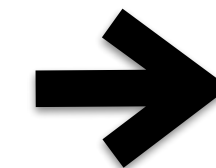
- Retain Global Exclusivity
- Complete software MVP
- Complete Cell Phone Final Form Factor
- Develop Scanner Form Factor
- Demonstrate commercial scale utility
- Sales / Marketing / Legal

A ROUND - 2019

EST: \$4,386,258

USE OF FUNDS: DEVELOPMENT / SALES PHASE

- Software Interface
- Hardware Development
- Payroll Expenses
- OPEX
- CAPEX



MILESTONES

- Retain Global Exclusivity
- Complete software development
- Staff up and develop customer service tools
- Secure commercial contracts
- Secure a State Contract

Detailed budgets for the demonstration & development phases are available upon request.

REVENUE STREAMS

SaaS:

Monthly software subscription fees to brands, licensees, state regulators, and law enforcement agencies.

HARDWARE:

Monthly lease fees of scanners to brands, licensees, state regulators, and law enforcement agencies.

Monthly lease fees of silica taggant application equipment to licensees.

TruTags®:

Sold to licensed print partners, growers & processors, on an as-needed basis.

Packaging

CovertCoat® packaging sold to clients needing brand authentication and anti-counterfeiting solutions.

DATA:

Verifiable data is unique, transparent and provides extreme value between various industry & government partners.

PARTNERS



TAG-IT TECH TEAM

LEADERSHIP WITH A PROVEN TRACK RECORD AND A VISION TO SUCCEED



Paul Schutt
CEO & Co-founder

Considered an international expert in technology assessment and transfer, Mr. Schutt leads the Tag-it Tech team's development of innovative nanotechnology tracking systems designed for commercial and industrial applications.



Aaron Kenna
COO & Co-founder

Mr. Kenna is a leading global digital media & print expert that has assisted over 100+ successful brand startups. He has an extensive background in business development strategies and print technology.



Greg Nelson
CFO

Mr. Nelson has an extensive background in corporate finance and business intelligence. He also has specialized in several aspects of operations, including organizational effectiveness, process excellence, and change management. During his tenure at Jones Lang LaSalle, Mr. Nelson led the corporate solutions team in business intelligence development.



Mark Boyer
SVP Business Development

Mr. Boyer holds 20+ years of experience leading software and hardware implementation with Cisco for state and federal agencies. Mr. Boyer is a subject matter expert regarding US state and local government. Specialities include: government administration at state and local level; member legislative level experience; appropriations, state, local, and federal; labor contract negotiator; government affairs, contracts and procurement, and business development.



Steve Wood
Chief Security Officer

A member of "Microsoft's Original 6", Mr. Wood is a world renown technology integrator focused most recently on secure data management systems for global companies. Mr. Wood also serves as Member of the Board of Directors for the Washington Technology Industry Association.



Brian Conte
Chief Technology Officer

Mr. Conte is the Founder, CEO, and CTO of several high tech startups, most recently Fast Track and Brain Builders. He has successfully led development teams of 75-100 and shipped 100+ products. He grew several startups to long-term profitability and successful exits. Mr. Conte's areas of interest and expertise include machine learning, data science, and algorithms.



Della Homenik
Director of Communications

Ms. Homenik has more than 30 years of experience in the field of communications, developed in the private, public, and non-profit sectors. Throughout her career she has worked with Fortune 500 companies, major universities, chambers of commerce, arts organizations, and city government.

ADVISORY BOARD

ADVISORS LEADING THEIR FIELDS OF EXPERTISE



Karl C. Colder
Special Agent in Charge (Retired)
DEA



Barry McDonogh
SVP Sales & Business Development
TruTag Technologies, Inc.



Mike Kenna
Founder & President
Printery Communications



Thomas Decker
Vice Chairman & former CEO
Cozen O'Connor



Barbara Adams
Former General Counsel of the
Commonwealth of Pennsylvania



Terry Yoo
Finance Business Intelligence
Vulcan, Inc.



Dr. Paul Kaplan, MD
Harvard Medical School Graduate;
Retired Surgeon



Fred Niehaus
Managing Partner
International Global Solutions



Marshall Coba
Partner
CobaCo Public Strategies



Danny Pfeifer
Principal
Catalyst Group



Kevin Lang, PhD.
Comparative and Molecular
Biosciences - Chief Scientist



THANK YOU



COMPETITIVE ADVANTAGE

- TruTags® are much easier and faster to read than DNA molecular markers. They can be read in seconds, without chemical sample preparation. Scanners are simple to use and inexpensive to maintain. In contrast, reading DNA molecular markers requires 15 minutes to 5 hours via chemically prepared samples analyzed by lab equipment requiring costly calibration and maintenance.
- TruTags® cannot be copied, replicated, or counterfeited; they can only be produced in a proprietary clean room facility located on the island of Oahu. DNA molecular markers are relatively easy to replicate, transcribe, and counterfeit; they can be copied using off the shelf equipment now common in genetics labs.
- TruTags® comply with US-FDA guidelines for consumable products and are used in the pharmaceutical industry today. DNA molecular markers have not complied with those same FDA guidelines.
- Tag-it Tech applies pure silica TruTags® made of the same essential mineral that organic Cannabis growers use to supplement their plants. Applying pure silica TruTags® is a biomimicry methodology that does not change the biochemistry of Cannabis plants or otherwise modify their healthy organic growth and development. Competitive DNA molecular markers can change the biochemistry of Cannabis plants and/or turn them into genetically modified organisms (GMOs).

CURRENT STATUS

- ☒ COMPLETE - Pre-seed funding secured (\$425,000)
 ☒ COMPLETE - NTS® System patent pending
 ☒ COMPLETE - Accepted into Cozen O’Connor’s AG practice
 ☒ COMPLETE - Exclusive alliance agreement with technology supplier TruTag.
 ☒ COMPLETE - Feasibility testing in-progress with Aloha Green - Oahu, HI
 ☒ COMPLETE - NTS® Interface Minimal Viable Product (Prototype) in-progress
 ☒ COMPLETE - Presentation approved by Colorado’s Institute of Cannabis Research
 ☒ COMPLETE - Tag-it Tech’s marketing strategy established
 ☒ COMPLETE - Presentation ICR Conference regarding SB18-029
 ☒ COMPLETE - Proof-of-Concept Simulation
 ☒ COMPLETE - Letter of Intent with Golden Leaf Holdings Ltd. for commercial scale pilot
 ☒ COMPLETE - Toxicology Evaluation (identifies no problems)
 ☒ COMPLETE - Edibles/Concentrates commercial testing complete with GLH
- ☒ COMPLETE - Packaging Commercial testing complete with RR Donnelley
 ☒ COMPLETE - Secure 5 Year Global exclusive commercial agreement with TruTag (Q4 2018)
 ☐ Seed round funding (Now)
 ☐ Close exclusive print/packaging licensing agreement with RRD (Q1 2019)
 ☐ Close co-development initiative with GenCanna (Q2 2019)
 ☐ Flowers commercial testing complete with GLH (Q2 2019)
 ☐ Organic Product Certification (may not be required; silica is an inert element)
 ☐ Enterprise Interface Minimum Viable Product (MVP) completed (Q2 2019)
 ☐ Close \$150,000 sales (Q3/Q4 2019)
 ☐ Begin final development and testing on NTS® Application (Q4 2019)
 ☐ Presentation of NTS® Prototype to first state AG department (Q1 2020)
 ☐ Final product ready for first state market (Q2 2020)



TIMTAM

“...hands down, Tag-it Tech saved our brand. Their technology provided instant visibility & authentication to identify counterfeit TimTam products in the market.”

Tom Frazier, Founder - TimTam Recovery Ltd.



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“It’s simple. No other authentication solution can be trusted. Barcode, QR, Serialization; nothing. Tag-it Tech is the best available technology. Period.”

Steve Goetz, Founder - Imperial Motion Mfg.



“I believe that Tag-it Tech provides the best available tracking solutions for law enforcement today. ”



Karl C. Colder - DEA, Special Agent in Charge (retired) and Senior Security Consultant,



“We’ve seen a lot of interesting technology come through our innovation center, but this really has the chance to be a game changing solution for the industry.”



Chris Hogge - Harris & Bruno International