



DESCRIPTION OF BUSINESS

Overview

Pharmagreen Biotech, Inc., a Nevada corporation (“Pharmagreen” or the “Company”) (OTC PINK: PHBI), is a cannabis company that is focused on becoming the largest producer of cannabis tissue culture plantlets in Canada with the opportunity to become one of the largest players around the world. Pharmagreen’s mission is to advance the technology of tissue culture science and to provide the highest quality, 100% germ free, disease free, and genetically identical plantlets of cannabis, while offering full spectrum DNA testing, low-temperature storage of plants; extraction of CBD oil, and to deliver unparalleled laboratory-based services to the cannabis industry. Pharmagreen is completing the pre-construction phase of its 62,00 square foot Cannabis Biotech Complex, in Deroche, B.C., Canada, which is approximately 90-minutes East of Vancouver, British Columbia.

Investment Highlights

We believe that the market opportunity for cannabis plantlets is largely untapped, because most producers still rely on cloning and planting seeds to grow cannabis. Our solution addresses this market opportunity by providing a modern replacement for legacy growing techniques through cutting-edge micro-propagation technologies, which will put Pharmagreen in a unique position to lead the way in the cannabis industry. We believe that the investment opportunity in Pharmagreen through the build out of its Cannabis Biotech Complex includes the following:

- CAD \$100 million per year in sales of tissue culture plantlets per year
- Gross profit margin of over CAD \$80 million per year
- Production capacity over 10 million sellable tissue cultured cannabis plantlets per year
- Only tissue culture cannabis complex in Canada of this size to provide for the commercial scale of starter cannabis plantlets
- To serve Canadian and international growers with proprietary THC and CBD hemp strains

The Company intends to provide cultivators around the world with the best, healthiest, and most productive cannabis plantlets. With its proprietary research, cutting-edge tissue culture technologies and its licenses for a unique CBD hemp strain “CBD DANA,” the Company believes that it is well on its way to exploit the explosive growth in the cannabis industry.

Cannabis Biotech Complex

Pharmagreen Inc., has completed the design and is in the process of finalizing the engineering plans to develop and construct a state of the art Cannabis research and production facility. The Cannabis Biotech Complex is an innovative and proprietary design of a 62,000 square foot building complex that will be nestled on 26 acres, in Deroche, British Columbia. The complex, which is targeted for completion in late 2019/ early 2020, makes use of cutting edge technologies in its engineering, as well as with its construction resulting in a secure, uniquely advanced, eco-friendly and semi-automated tissue culture, cleanroom laboratory, extraction, distillation and research facility.

This premier cannabis biotech complex will provide for the annual in-vitro production and supply of over 10 million cannabis tissue cultured plantlets and ready-to-grow starter crops for licensed commercial grow operations, micro-cultivators as well as for the Canadian retail markets and the International markets with its licensed proprietary hemp strain plantlets.

The licensing for the Cannabis Biotech Complex as both a dealer and producer is pending approval under Health Canada’s Access to Cannabis for Medical Purposes Regulations (ACMPR) and Canada’s Office of Controlled Substances and will allow for several original, complimentary and cannabis industry leading services:

- The Cannabis Biotech Complex will employ between 80-100 persons on site. The primary focus is to produce pesticide/fungicide-free, with no genetic drift tissue cultured plantlets to meet the rapidly increasing cannabis market demand for medicinal quality starter plant material using the proprietary in-vitro “Chibafreen Process”, which reduces the production time of tissue cultured plantlets significantly by eliminating one of the four stages used in a traditional in-vitro micropropagation system.
- This pioneering micro-propagation technology developed by Botanical Research In Motion Inc. (B.R.I.M.) for use by Pharmagreen enables new growth plantlets from any existing plant strain while limiting genetic variance and mutation. It allows for large-scale production of precise and consistently robust quality suitable plantlets for even the most sizeable commercial ventures.
- Onsite research and development at the center will continue to enhance existing micro-propagation techniques for cultured plantlets and help refine developing protocols for a variety of cannabis strains for indoor and outdoor cannabis growers. Application of this industry-leading botanical tissue culture technology may also be adapted for any plant species to benefit sustainable agriculture needs beyond simply the various specific cannabis species.
- (B.R.I.M.) has developed a proprietary industrial hemp strain named “CBD DANA”, which will be made available for large-scale production for both domestic and international markets produced and sold via Pharmagreen’s biotech complex. This innovative strain contains a high cannabidiol content of 10-20%, less than 0.3% THC and a unique profile of active terpene and alkamide entourage constituents.
- Cold storage capacity utilizing (B.R.I.M.’s) proprietary low temperature storage technology will provide for long term plant tissue sample preservation and banking of specific live plantlet strains for future research and production.
- Energy efficient and state-of-the-art greenhouse space will further allow for year-round nurseries safeguarding cultured and developing plants for all growing seasons.
- The Cannabis Biotech Complex will provide analytic services, genomic characterization and testing of botanical material for industry certification and include commercial-scale plant distillation and extraction capacity for producing botanical oils and other active medicinal constituents. Medicinal formulations researched and developed at the center will be made available under the Pharmagreen Biotech brand.

This one of a kind Cannabis Biotech Complex may serve as a model for future build-outs in other parts of Canada and abroad. Its facilities for large-scale production, research and storage of genetically identical, disease and pest-free plantlets with consistent and certifiable constituent properties ensure the highest standards for safety and quality of Cannabis as medicine.

Recent Developments

Pharmagreen is working closely with its strategic investment partner, Alliance Growers Inc., publicly traded on the Canadian Stock Exchange under (CSE: ACG), and on the Frankfurt Stock exchange under the symbol (1LA). Alliance Growers has the opportunity to own up to a 30% equity interest in Pharmagreen’s Cannabis Biotech Complex in Deroche, B.C., Canada, for an investment of US\$6 Million subject final construction costs. As of September 10, 2018, US\$455,000 has been invested by Alliance Growers in the Company. These funds have been put towards pre-construction phase of the Cannabis Biotech Complex.

The Cannabis Industry

We operate in a rapidly growing industry, where the increasing commercialization of cannabis for medical and recreational use drives strong demand for high quality providers. During the next few years, key drivers of revenue growth for the largest commercial cannabis providers will include:

- According to the Hemp Business Journal, the CBD market will grow to a CAD \$50 billion market in consumer sales by 2026 on world wide basis
- According to StatsCan’s estimate, Canadians may have spent roughly CAD 6.2 billion (or US \$4.8 billion) on marijuana in 2015, current cannabis purchases out pace that of liquor and tobacco combined
- In Canada, as of early 2018, Cannabis is legal only for medicinal purposes
- Recreational use of cannabis will be legalized in Canada on October 17, 2018

- Cultivation of industrial hemp is legal in Canada for seed, and fiber production, upon legalization cultivation of CBD from flower will also be allowed
- In the United States, 30 states and the District of Columbia currently have laws broadly legalizing marijuana in some form, and eight (8) states and the District of Columbia have adopted the most expansive laws legalizing marijuana for recreational use. Most recently, sales of recreational-use marijuana in California kicked off on January 1, 2018.

Organizational History

Pharmagreen (formerly Air Transport Group Holdings, Inc.) was incorporated under the laws of the State of Nevada on November 26, 2007, under the name Azure International, Inc. On October 30, 2008, and effective as of the same date, the Company filed Articles of Merger (“Articles”) with the Secretary of State of the State of Nevada, to effect a merger by and between Air Transport Group Holdings, Inc., a Nevada corporation and Azure International, Inc. As a result of the merger, the Company changed its name to Air Transport Group Holdings, Inc. Prior to the merger on May 2, 2018, the Company was in the business of providing technical advisory and appraisals to the aircraft and aviation business as well as providing sourcing for aircraft leases and parts. On May 2, 2018, pursuant to a share exchange agreement, Pharmagreen exchanged 37,704,500 shares of its common stock for all the issued and outstanding shares of WFS Pharmagreen Inc., a private Company incorporated under the laws of British Columbia, Canada. On May 24, 2018, the Company changed its name to Pharmagreen Biotech, Inc.

As a result of the merger, the Company discontinued its pre-merger business and acquired the business of WFS Pharmagreen Inc., and the Company has continued the existing business operations of WFS Pharmagreen Inc., as a publicly-traded company under the name Pharmagreen Biotech, Inc.

On July 30, 2018, Pharmagreen changed its fiscal year from a fiscal year ending on April 30 of each year to one ending on September 30 of each year, effective immediately.

MANAGEMENT

Below are the names of, and certain information about, our current executive officers and directors.

Name	Age	Position
Peter Wojcik	47	Chairman of the Board, Chief Executive Officer and President
Terry Kwan	71	Chief Financial Officer; Director
Fawzia Afreen	53	Chief Operations and Science Officer

Directors are elected to serve until their successors are elected and qualified. Directors are elected by a plurality of the votes cast at the meeting of stockholders at which they are elected and hold office until the expiration of the term for which he or she was elected or until a successor has been elected and qualified.

A majority of the authorized number of directors constitutes a quorum of the Board of Directors for the transaction of business. The directors must be present at the meeting to constitute a quorum. However, any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all members of the Board of Directors individually or collectively consent in writing to the action.

Executive officers are appointed by the Board of Directors and serve at its pleasure.

The principal occupation and business experience for our executive officers and directors is as follows:

- Chief Executive Officer / Director - Peter Wojcik, BA/Adv., a graduate of Economics from the University of Regina. Peter brings a past of successful business start-ups, development, growth which resulted in high valued exit strategies. Additionally, Peter has a natural compassion for the health and well-being of others, which has naturally led to his decade-plus experience in the research and application of cannabis and its extracts as a therapeutic agent, specifically in their application in the treatment of illness and disease for individuals.
Peter is the founder, majority shareholder, chief executive officer and director of Pharmagreen since its incorporation. His vision continues to be on developing the company as a one of kind company for its innovative solutions in the tissue culture

business, biotech technologies and cannabis medical formulations for human use. Peter's focus is to build the first of its kind Cannabis Biotech Complex in B.C., Canada and use it as a foot print for additional future locations worldwide.

- Chief Financial Officer / Director - Terry Kwan, BA/Comm., CPA-CA – a graduate from the University of British Columbia with a BA in Commerce and from the Institute of Chartered Professional Accountants of B.C. as a Chartered Accountant will bring his more than four decades of significant finance related experience in both the private and public sectors. Terry has been with the company for the last three years and his scope of work involves managing the accounting and assisting in the development of the business plan. Terry previous experience is tailor made for the company with his years of experience in managing the financials for private and public companies.
- Chief Operation & Science Officer - Fawzia Afreen, has a Ph.D. in Botany from University of Hull (UK) and has achieved designation as a JSPS Fellow from Chiba University, Japan, teaching M.Sc. courses in Protected Horticulture; Plant Tissue Culture, and Plant Production in Controlled Environment. In addition to holding three international patents, publishing over 40 articles in peer-reviewed international journals and publishing two books, Fawzia will bring her 16 years of experience in Plant Horticulture, plant tissue culture, plant production and an increase of secondary metabolites in a controlled environment to the Company. Fawzia has joined the company in January, 2014 as a Plant Scientist. Since then she has used her years of hands on experience, academic research experience and extensive knowledge in the field of Plant biology for the production of disease-free and healthy starting plant material. Since 2014 till today Dr. Afreen has successfully developed protocols for different stages of numerous Cannabis plant species. She also developed a new, semi-automated, state-of-the art *in vitro* plant production technology called "Chibafreen". Additionally Fawzia is the leading designer for the Cannabis Biotech Complex under construction in Deroche, which includes a tissue culture laboratory, grow rooms, rooting stations, research and development.

Family Relationships

There are no family relationships among our directors or executive officers.

Involvement in Certain Legal Proceedings

None of our directors or executive officers has been involved in any of the following events during the past ten years:

- any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offenses);
- being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his or her involvement in any type of business, securities or banking activities; or
- being found by a court of competent jurisdiction (in a civil action), the SEC, the Commodity Futures Trading Commission or Canadian securities regulators to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

LEGAL PROCEEDINGS

From time to time, the Company may become involved in various lawsuits and legal proceedings that arise in the ordinary course of business. Litigation is subject to inherent uncertainties, and an adverse result in any such matters may arise from time to time that may have an adverse effect on the Company's business, financial condition, results of operations and prospects.

We are currently not aware of any material pending legal proceedings to which we are a party or of which any of our property is the subject, nor are we aware of any such proceedings that are contemplated by any governmental authority.

LEGENDS AND NOTICES

NASAA UNIFORM LEGEND

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THERE FROM. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

NOTICE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements and the discussion regarding the Company's business and operations may include "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1996. Such statements consist of any statement other than a recitation of historical fact and can be identified by the use of forward-looking terminology such as "may," "expect," "anticipate," "intend," "estimate" or "continue" or the negative thereof or other variations thereof or comparable terminology. Investors are cautioned that all forward-looking statements are speculative, and there are certain risks and uncertainties that could cause actual events or results to differ from those referred to in such forward-looking statements. This disclosure highlights some of the important risks regarding the Company's business. The number one risk of the Company is its ability to attract fresh and continued capital to execute its comprehensive business strategy. There may be additional risks associated with the integration of businesses following an acquisition, concentration of revenue from one source, competitors with broader product lines and greater resources, emergence into new markets, the termination of any of the Company's significant contracts or partnerships, the Company's inability to maintain working capital requirements to fund future operations or the Company's inability to attract and retain highly qualified management, technical and sales personnel, and the other factors identified by us from time to time in the Company's filings with the SEC. However, the risks included should not be assumed to be the only things that could affect future performance. We may, among other things, also be subject to service disruptions, delays in collections or facilities closures caused by potential or actual acts of terrorism or government security concerns.

All forward-looking statements included in this document are made as of the date hereof, based on information available to us as of the date thereof, and we assume no obligation to update any forward-looking statements.