Leading the Science of Cannabis



Steep Hill

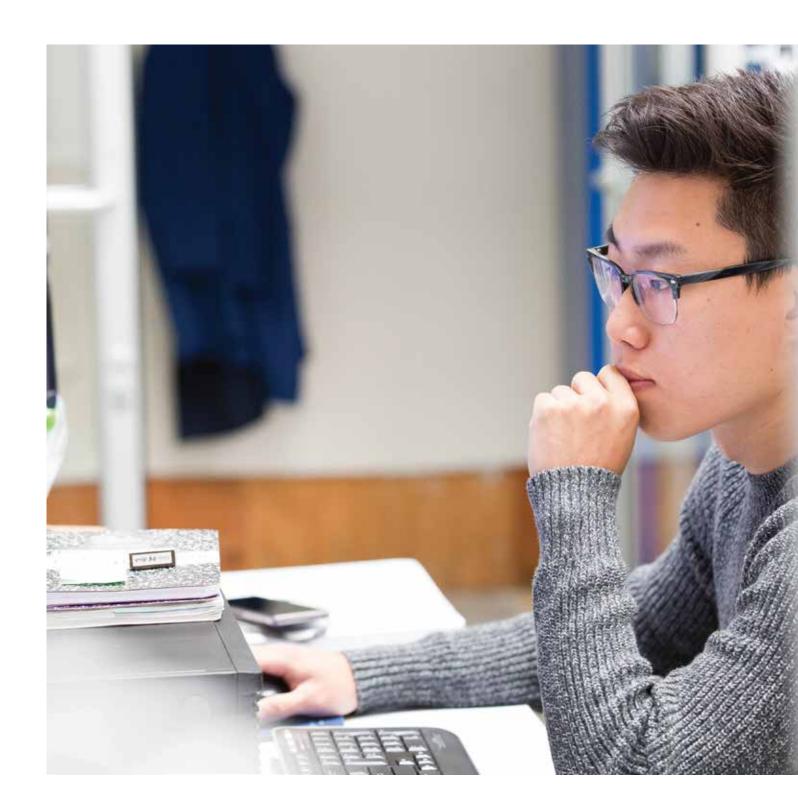


Steep Hill, Inc. seeks to protect public health through the development of infrastructure and analytical services for legally-authorized cultivators, processors, distributors, retailers, and regulators of cannabis.

Contents

Understanding the Science of Cannabis	2
Cannabinoids	3
Terpenoids	6
Cannabis Contaminants	8
Types of Cannabis Products	9
Steep Hill in the Lab	10
Steep Hill Testing Services	11
About Steep Hill	13
Steep Hill Locations	14
References	15

Understanding the Science of Cannabis



Cannabinoids

Cannabinoids are chemical compounds found in cannabis plants.

They're a subset of the 80-100 terpenoid-derived molecules found in significant amounts only in cannabis. Thus, all cannabinoids are terpenoids, but not all terpenoids are cannabinoids. They all have similar structures, but have been shown to have very different effects. Cannabinoids, are found in highest concentrations within the trichomes (or resin glands) found predominately on the female flowers. Most cannabinoids are found in both acid and neutral forms, which have distinctive medical qualities about them.

Decarboxylation

Decarboxylation is the conversion of a cannabinoid from acid form to neutral form, which occurs during heat exposure. For example, $\Delta 9$ -THC is the result of THC-A ('A' for acid) decarboxylating. The main difference between the acid and neutral forms of Tetrahydrocannabinol (THC) is that only $\Delta 9$ -THC causes the euphoric sensation associated with cannabis. THC-A, on the other hand, is not psychoactive! $\Delta 9$ -THC is the best way to measure a cannabis product's psychoactive potency, and a typical cannabis plant contains about 13% to 25%.

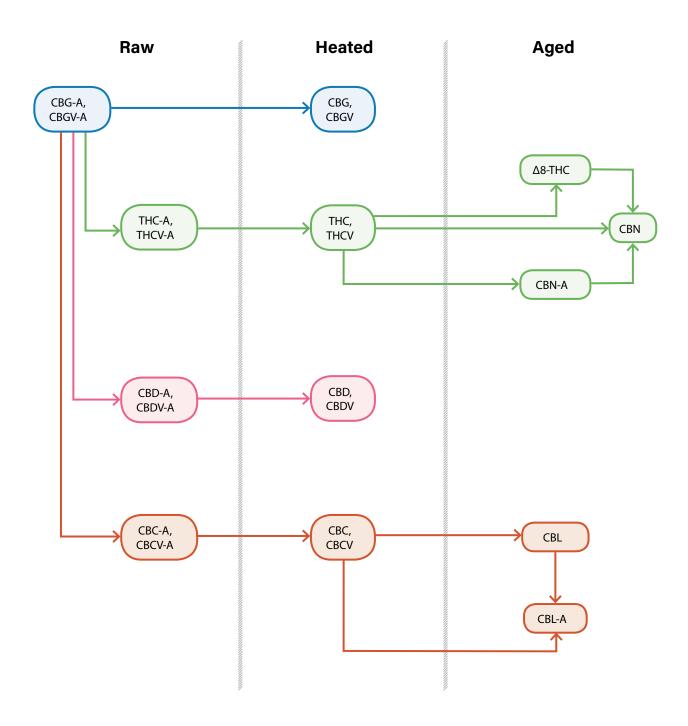
Steep Hill quantifies up to over 20 cannabinoids:

CBG-A	Cannabigerolic Acid
CBG	Cannabigerol
THC-A	Tetrahydrocannabinolic Acid
THC-C4	Tetrahydrocannabinol-C4
THCV-A	Tetrahydrocannabivarinic Acid
Δ9-THC	Delta 9-Tetrahydrocannabinol
Δ8-THC	Delta 8-Tetrahydrocannabinol
THCV	Tetrahydrocannabivarin
CBN-A	Cannabinolic Acid
CBN	Cannabinol
CBD-A	Cannabidiolic Acid
CBDV-A	Cannabidivaric Acid
CBD	Cannabidiol
CBDV	Cannabidivarin
CBC-A	Cannabichromic Acid
CBC	Cannabichromene
CBL-A	Cannabicyclol Acid



Cannabinoid Synthesis

By simply applying heat or exposing cannabinoids to light and air there are a multitude of opportunities for other cannabinoids.



Therapeutic Properties of Cannabinoids

Each cannabinoid offers unique medical properties. Many of them have been observed in clinical settings.



Raw

CBG-A analgesic anti-inflammatory

THC-A anti-cancer anti-inflammatory anti-spasmodic

CBD-A anti-cancer anti-inflammatory

CBC-A anti-fungal anti-inflammatory

CBGV-A, THCV-A, CBDV-A, CBCV-A ant-inflammatory

CBG
analgesic
anti-bacterial
anti-cancer
anti-depressant
anti-fungal
bone stimulant

Heated

CBG
analgesic
anti-bacterial
anti-cancer
anti-depressant
anti-fungal
bone stimulant

THCV
anti-convulsive
anti-inflammatory
appetite suppressant
bone stimulant
neuroprotective

CBD
analgesic
anti-anxiety
anti-bacterial
anti-cancer
anti-convulsive
anti-depressant
anti-emetic
anti-inflammatory
anti-insomnia
anti-ischemic
anti-psychotic
bone stimulant
immunosuppressive
neuroprotective

Δ9-THC
analgesic
anti-bacterial
anti-cancer
anti-inflammatory
anti-spasmodic
appetite stimulant
bronchodilator
neuroprotective

CBDV anti-convulsive bone stimulant

CBC
analgesic
anti-bacterial
anti-cancer
anti-depressant
anti-fungal
anti-inflammatory
anti-insomnia
bone stimulant

Aged

Δ8-THC anti-anxiety anti-emetic

CBN
analgesic
anti-bacterial
anti-convulsive
anti-inflammatory

CBL unknown

CBL-A anti-inflammatory

Terpenoids

Terpenoids are the compounds responsible for a plant's fragrance.

They are found within the resin glands (or trichomes). They interact with cannabinoids, called the 'entourage effect', which helps define a given strain's unique quality.

Mankind has been infatuated with terpenoids for thousands of years, enjoying the aromas and flavors in beer, candy, perfumes, fruits, incense and much more. In addition to the smells and tastes, we have continuously benefited from the diverse array of the medicinal and nutritional aspects found in terpenoids. Terpenoids likely make up the single largest family of chemical compounds available, from across the planet, to herbalists and apothecaries alike for use in compounding remedies and medicine.



We Quantify up to over 40 Terpenoids including:

Linalool
Citronellol
Caryophyllene Oxide
Myrcene
Terpinolene
Limonene
Alpha Pinene
Alpha Humulene
Beta Carophyllene
Phytol
+ Plus Many Morel

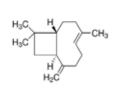


Therapeutic Properties of Terpenoids and their Associated Fragrance



α-Pinene anti-bacterial anti-fungal anti-inflammatory bronchodilator





β-Caryophyllene anti-bacterial anti-cancer anti-fungal anti-inflammatory anti-septic



black pepper





Borneol analgesic anti-insomnia anti-septic bronchodilator





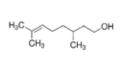
Caryophyllene oxide anti-fungal anti-ischemic





Cineol anti-bacterial anti-depressant anti-inflammatory anti-ischemic bronchodilator



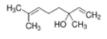


Citronellol anti-cancer anti-inflammatory anti-insomnia anti-spasmotic



anti-insomnia





Linalool anti-anxiety anti-bacterial anti-convulsive anti-depressant anti-insomnia



Humulene anorectic anti-cancer anti-bacterial anti-inflammatory



Limonene anti-anxiety anti-bacterial anti-cancer anti-depressant anti-fungal bronchodilator



Myrcene analgesic anti-cancer anti-inflammatory anti-insomnia anti-spasmodic



mango



Terpinolene anti-bacterial anti-fungal anti-insomnia anti-septic



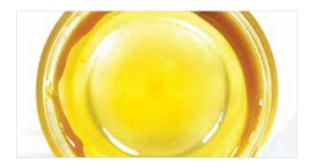


Nerolidol anti-fungal anti-insomnia



Cannabis Contaminants

Potency is important, safety is our priority.



Residual Solvents

Residual Solvents are the leftover chemicals used to make various cannabinoid extracts. This method allows the lab to identify the extraction process and subsequent quality of any cannabis extract.



Pesticides

Pesticides are common in most agricultural settings. Cannabis is no different. Testing for these residues help protect the consumer from consuming hazardous chemicals like abamectin, bifenazate, and bifenthrin.



Mycotoxins

Mycotoxins are incredibly toxic by-products of some molds and fungi.



Microbes

Microbes are molds and bacteria that may pose a high risk to consumers (especially with suppressed immune systems.) The higher the concentration of these organisms, the greater the risk to consumers.



Heavy Metals

Cannabis collects heavy metals. It absorbs them from the growing environment. Therefore, a cannabis plant will absorb toxic compounds, including heavy metals, such as Lead, Cadmium, Mercury, and Arsenic. Even at extremely low levels, heavy metals can be extremely hazardous to one's health if ingested.



Types of Cannabis Products

Cannabinoids are infused into various consumer products.



Raw Flowers

Flowers are dried and cured female flowers cultivated from the cannabis plant. They contain cannabinoids in their acid forms, as well as a variety of terpenes.

Concentrates

Concentrates use solvents like Supercritical CO2 or Nitrogen to extract the cannabinoids from the cannabis plant into a substance with substantially higher concentrations. While most raw flowers test below 20% THC, some concentrates contain over 80% THC. Concentrates contain cannabinoids (in their acid and decarboxylated forms) as well as some terpenes, depending on the type of extraction method used.

Edibles

Edibles are food products infused with active cannabinoids, for example: they are available as baked goods, beverages, candy, and countless other items. Manufacturers usually make a cannabinoid extract using butter or a variety of oils, which they then use as an enhanced ingredient in their recipes.

Tinctures

Tinctures are infusions of alcohol, oil, or glycerin. They contain various levels of cannabinoid acids and their decarboxylated counterparts.

Steep Hill in the Lab

We are focused on measuring the purity and safety of all types of products containing active cannabinoids.





Testing & Analysis

We take the mystery out of medical cannabis through rigorous quality-standard protocols. We prove the safety, consistency, and potency of all cannabis products to bring guidance to distributors, cultivators, dispensaries, manufacturers, and consumers.

LIMS & Data Analytics

Steep Hill offers advanced LIMS and Data Analytics to help our clients succeed with total access to their test results, and the ability to perform analytics on their testing data.

Consulting

We offer consulting services in the areas of cannabis safety, regulation, testing methodology, packaging including labeling, scientific development, processing and regulatory management.

Steep Hill Testing Services

Testing services, including which instrumentation and testing specifications are used and followed, may vary from location to location



Cannabinoids (Potency)

Cannabinoids are the most abundant chemical compounds found in cannabis and are designated as the primary indicator of cannabis potency (particularly THC and CBD). High-Performance Liquid Chromatography (HPLC) or Gas Chromatography (GC) is used to analyze these compounds that are found in cannabis flowers, concentrates, and other infused products. Steep Hill provides one of the most comprehensive cannabinoid profiles available. We employ premium instruments and qualified methodologies to quantify up to 20 cannabinoids, depending on location.



Terpenes

Terpenes are the most abundant volatile compounds in cannabis and are responsible for the unique scent profile associated with various cannabis cultivars. Terpenes have been shown to exhibit medicinal properties, and, when combined with the medicinal properties of a particular cultivar's cannabinoid profile, contribute to a cultivar's unique physiological and psychological influence a phenomenon known as the entourage effect. At Steep Hill, we leverage the powerful technologies of Gas Chromatography with Mass Spectrometry and Headspace Sampling to accurately detect and quantify up to 40 terpenes, depending on location.



Pesticides Analysis

Steep Hill offers quantitative pesticide reporting, which provides a clear understanding of a given pesticide contamination issue down to sub part per million levels. Steep Hill currently takes advantage of both LC-MS (Liquid Chromatography - Mass Spectrometry) and, in some locations, GC-MS (Gas Chromatography - Mass Spectrometry) techniques to provide quantified pesticide testing for dozens of targets, including: Abamectin, Bifenazate, Bifenthrin, Daminozide, Etoxazole, Fenoxycarb, Imazazil, Imidacloprid, Myclobutanil, Paclobutrazol, Pyrethrins, Spinosad, Spiromesifen, Spirotetramat, and Trifloxystrobin, and more, depending on location. Pesticide testing requirements vary state to state, however Steep Hill can help you better understand which requirements must be met in your state.



Mycotoxins Analysis

Mycotoxins are a toxic secondary metabolite produced by funghi and can be particularly harmful to humans if ingested. Steep Hill provides mycotoxin analysis for Aflatoxin B1, B2, G1, G2, as well as for Ochratoxin A, which is performed by LC-MS/MS (Liquid Chromatography - Mass Spectrometry).



Heavy Metals Analysis

Cannabis collects heavy metals. It absorbs them from the growing environment. The cannabis plant is an excellent bioremediator, soaking up large amounts of whatever the roots come in contact with. Therefore, a cannabis plant will absorb toxic compounds, including heavy metals, such as Lead, Cadmium, Mercury, and Arsenic. Even at extremely low levels, heavy metals can be extremely hazardous to one's health if ingested. Without uniform regulations for heavy metal testing, medical cannabis patients have no way of knowing whether their products are contaminated with these hazardous compounds – all of which pose serious health risks. For heavy metals testing, Steep Hill uses ICP-MS (Inductively Coupled Plasma - Mass Spectrometry) instrumentation to detect heavy metals at concentrations as low as one part per billion, giving patients and their caregivers additional assurance when it comes to the safety of their medicine.



Residual Solvents Analysis

Solvents are often used in the production/extraction of cannabis derivative products such as oils, distillates and other types of cannabis concentrates. Ideally, these solvents are totally purged from a product before packaging. Sometimes, however, residual solvent can be left behind in the product and can be dangerous for consumers. Steep Hill uses Gas Chromatography - Mass Spectrometry, along with Headspace Autosampling to quantitate residual solvents in manufactured cannabis products to ensure those products are free from solvents, or contain less than a specified limit. Our methodology and instrumentation are the most advanced used in the cannabis industry today. We currently screen for dozens of volatile compounds, including the following solvents: acetone, butane, ethanol, isobutane, isopropanol, methane, propane, pentane, and hexane, depending on location. Comprehensive solvent screening for manufactured cannabis products is offered for both R&D and compliance testing.

Steep Hill Services Cont'd

Testing services, including which instrumentation and testing specifications are used and followed, may vary from location to location



Microbial Analysis

Molds are ubiquitous, and trace amounts can be found in almost every cannabis sample. However, exposure to high levels of microorganisms such as molds and bacteria are known to cause health problems and can be particularly dangerous to patients that have existing medical conditions. The Steep Hill microbiological screening program ensures the safety of cannabis by identifying the type and amount of potentially dangerous microorganisms present in each sample. Cannabis that contains dangerous amounts of bacteria should be remediated or destroyed. Most states have established tolerance limits for microbiological contamination in cannabis. Microbiology testing may also be conducted via culturing or qPCR instrumentation, depending on location.



Foreign Matter Inspection

Quality cannabis products must not contain foreign contaminants, eg. hair, bugs, metal, etc., that would not be detected through other safety testing. Despite following strict hygiene and cleanliness protocols in production areas, these contaminants can sometimes make their way into products. Steep Hill provides foreign matter inspection via visual inspection to ensure your products are free from any foreign matter contamination that may have gone unnoticed during the cultivation or processing of your product.



Moisture Content Analysis

If your cannabis product contains too much moisture when it is packaged, it increases the risk of microbial growth and impacts shelfstability of that product. Therefore, it is important to understand the moisture content of your product before packaging to reduce the potential risk of microbial growth and future product recalls. Steep Hill offers moisture content analysis by Loss on Drying, where the amount of water content is measured by using heat to evaporate off existing water, then comparing the original and final weight of the sample.



Water Activity Analysis

Water Activity analysis is performed to ensure your product's water activity level is at or below a specific threshold to reduce the risk of microbial growth while your product sits in its packaging. Ensuring your product's water activity level falls below this threshold provides confidence that the shelf-life of your product is maximized. At Steep Hill, water activity analysis is performed by measurement of water vapor in a Water Activity Meter.



Vitamin E Acetate

Vitamin E Acetate was thrust into the spotlight in 2019 when it was indicated as one of the potential culprits contributing to serious health repercussions related to unregulated vape product consumption. Steep Hill performs Vitamin E Acetate analysis by either HPLC, LC-MS or GC-MS, depending on location, to ensure your vape products do not have this potentially harmful ingredient in its formulation.



Homogeneity Testing

When manufacturing infused cannabis products, it is important to ensure that the active ingredients, most often cannabinoids, are evenly distributed throughout the product. Homogeneity testing with Steep Hill allows you to optimize your manufacturing process by indicating how evenly distributed your active ingredients are in your current product formulation. Homogeneity testing is performed by dividing a product unit into smaller portions, and performing potency testing on each portion to determine the consistency of cannabinoid distribution across each portion.



Hemp Analysis

As hemp production increases and the need for qualified input material grows, Steep Hill provides the testing and analysis services required to qualify the quality and safety of your hemp and hemp-derived products. Importantly, Steep Hill provides the ability to determine if your hemp falls below the 0.3% Total THC limit, as well, provides various additional services required to ensure the safety and quality of your product.

About Steep Hill



Founded in California in 2008, Steep Hill, Inc. is a science and technology firm that has become the industry leader in cannabis testing and analytics.

With labs in eight states, and a wholly owned sister lab in Toronto, Canada, Steep Hill is the largest cannabis lab network in the world.

Steep Hill Inc. (CSE: STPH) is the world's leading cannabis science and technology company focused on laboratory testing, quality assurance, and data analytics. In 2008, Steep Hill opened the first commercial cannabis lab in the United States and has been on the cutting edge of cannabis testing since its inception. Steep Hill currently has operations throughout the United States and internationally. We are driven to offer service excellence while promoting "best practices" in cannabis testing. We're proud to consult with legislators and regulators in many countries, states and municipalities around the world on cannabis science, data analytics, and testing standards.

	June 2008 Steep Hill markets first marijuana potency test in California.		Steep Hill high-CBD	March 2009 Steep Hill Identifies first high-CBD strain in CA medical marijuana supply.		by WA for sultation aluation.	February 2014 Steep Hill licensee opens in CO for Amendment 64 regulatory testing.	
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January 2008		October 2008	3	March 2011		June 201	3	
Steep Hill opens	the first	Steep Hill cre	ates first	Steep Hill deve	elops	Steep Hi	ll merges with	
Cannabis analyti	ical lab	microbiologi	cal safety	QuantaCann™,	the first remote	Halent S	cientific	
in the U.S		screen for car	nnabis	instant on-site	potency test			

November 2014 April 2015 September 2015 March 2016 Steep Hill and U Tech QuantaCann2[™] featured in Steep Hill forms Genetic Steep Hill launches "Operation Research Alliance with Jamaica sign MoU opening CSI Las Vegas Integrity" with the State of University of Colorado 3-year partnership Washington's Liquor and Cannabis **Board**

March 2014 Steep Hill opens lab in Washington State for I-502 regulatory testing February 2015 Steep Hill announces GenKit™ revolutionary new sex test for Cannabis breeders and growers June 2015 Steep Hill presents to CA Lt. Governor Newsom's Blue Ribbon Commission November 2015 Steep Hill's QuantaCann2™ is the official testing equipment for the High Times World Cannabis Cup in Jamaica





Steep Hill Locations

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Oklahoma (2nd Location)

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June 2018 Steep Hill Pennsylvania achieves ISO-17025 accreditation and opens lab for 3rd-party testing February/December 2020 Steep Hill Oklahoma opens for 3rd-party regulatory testing and achieves ISO-17025 accreditation

April/July 2021 Steep Hill signs licensing agreements for Steep Hill Mississippi and Steep Hill Illinois April 2022 Steep Hill signs licensing agreement for Steep Hill Vermont

March 2017 Steep Hill signs partnership with PathogenDx to introduce revolutionary DNA-based testing May 2019 Steep Hill Arkansas achieves ISO-17025 accreditation and opens for 3rd-party testing March 2021 Steep Hill Massachussets opens for 3rd-party regulatory testing January 2022 Steep Hill becomes a public entity - stock ticker (CSE:STPH)

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Photography

Elizabeth Peace Photography Pages 6, 9, 11, and 13.