

OTC Markets Group

Joining us today is Geoffrey Selzer the CEO of Resonate Blends the trades on our OTCQB Venture Market under the ticker KOAN. Based in Calabasas, California, Resonate Blends is a cannabis holding company dedicated to providing value-added brands for the holistic wellness and lifestyle market. The company's strategy is to create growth by building a portfolio of research organizations with innovative emerging brands and retail channels. Jeff, thanks so much for joining us today.

Geoffrey Selzer

Hi Cecilia. It's nice to talk to you again. It's been a little while.

OTC Markets Group

Jeff, you've joined us several times over the last few years to discuss the evolution of Resonate Blends story and we're very pleased to have you back for an update, remind us about the origin of Resonate Blends and your vision to role in cannabis in the wellness industry. And so, by your slogan you're saying how are you mastering the art of experience.

Geoffrey Selzer

I think a number of our investors remember we started this company about two and a half years ago rolled into a public entity and a number of us had been working in helping some of the gray market companies, one before that were operating before it became compliant legal in the state of California, we were helping some of those companies come into compliance and we saw this massive opportunity in the industry and what we think it's about is that cannabis provides so many benefits to people. It's the range of benefits from helping with different types of illnesses and depression and anxiety to just bringing a sense of euphoria to enabling helping people break down barriers to intimacy. The range of possibilities available through well formulated cannabis experiences was really broad. But the market wasn't aware of it. And we've been through a couple of cycles with cannabis you know cannabis once it became legal was just people going for a gold rush. Two O was a formulation of some new ways of ingesting and taking a cannabis. We think we're in period of time where cannabis 3.0 is beginning to break out and that is cannabis becoming something more akin to a traditional consumer products kind of brand and product line. And what that entails is a high level of communication. A high level of education and a high level of evolution of the fundamental product, now, when we look at cannabis, we try to take a look at: what are the core values? Why do people use cannabis why do people like it? What are the benefits, and our focus comes down to the

experience what is the nature of the experience that cannabis can provide and that's when we decided, dedicated our mission to master the art of experience and mastering the art of experience is a lot more complex than it seems and we have dedicated our companies and ourselves to doing that. So, we launched with 6 experiences. It's calm, balance, create, delight, play, and wonder all different strengths all different influences on the body. We've just launched our love product and so we now have 7 and we are getting. Very close to launching our sleep product which is going to be like nothing else out in the market, but it is a refinement of the nature of those experiences that we are dedicated to and we think we are one of the companies and there's a few really great ones out there. But we're one of the companies that are leading the charge towards making cannabis experiences repeatable, consistent, powerful, and I don't mean powerful by making you overly high but powerful in terms of. Being efficacious towards what we're trying to create and then being able to brand and communicate that so that's what we mean by mastering the art of experience and that's what we as a company are dedicated to.

OTC Markets Group

So, talk more about your brands and products, and give us a quick overview of your brands and products, and the world's first Cannabis Cordial.

Geoffrey Selzer

It's not one of the world's first cannabis cordials, that's the only one that's out there. Our product is extraordinarily unique and excuse me ahead of time I'm very proud of it I love it. So, I can rave about it a little bit, the products are in small 10 milliliter bottles. They're highly concentrated doses meaning that that they're very small. You can take them as a tincture, or you can what we like to do is you can literally mix any drink you want any non-alco. Beverage and then pour our cordial into it. So, with the six soon to be 8 different experiences we provide. You can literally have any drink you want and any experience you want at the same time There's no other company and no other product that does that in quite the same way that we do. There's the capability to have, for example, a bar set up with these 8 different formulas there and being able to have any drink you want. It's remarkable. It's like it's like something out of Robert Highland or something you know 1984 it's like out of science fiction but it provides that kind of precision and that kind of capability and on the surface of it. It may seem like a relatively easy thing to do. But when you go. Deeply into the science. The relationship of all the different components and then the bioavailability and the form factor. The delivery vehicle you're providing at it will all affect that experience, so we work around bodies of knowledge around nanomulsification. Synergies between the different components which in the industry is called the entourage effect and we master

those and then we take our product development experience and build, develop beautiful products. Our first one are these cordials and we launched them in boxes of 3, and we've had a lot of critical success with that and so we are now we're about to launch the full line in single purchase bags. So, people can have them as impulse purchases we're in about eight weeks going to be launching what we call our multiserve which is a bottle it's one hundred milliliter bottle three point four ounces that will allow you to have 10 servings per bottle. It will bring the cost down to 65% of what the cost per serving is now and it's in a really convenient form factor and then we are in addition to that we are taking this body of knowledge that we have that we use to develop these extraordinary cordials and we're starting to apply them to different areas in the market. So, there is one of the early established markets are edibles obviously, there's 2 things going on in edibles. You're seeing a decline in the traditional edibles but still a very stable market there that is cookies and brownies and that kind of thing and then you're having more candy like gummies come to market. Well, we have innovations for both sides of that market to really alter some of the characteristics of the baked goods market because a lot of people there they go take a baked good, they have no idea what their experience is going to be, and I could walk through the chemistry digestion why that occurs. With today's science and what we know the baked goods market is ripe for innovation, but before we start to put our attention there, we're very interested in not the gummy market but innovation as profound to the gummy market is what we've done for the tincture and drink market in that piece of it. So, there's an expansion of our markets going on. We're launching a new product line after we launched the new bottles for the multiserve so we're gonna have a whole new line of countybased edibles that I can't talk more about right now because they are unique and we want to be first to market to them.

OTC Markets Group

You recently won a Clio Cannabis Award for brand design, as well as “Best New Brand” at the Luxury Meets Cannabis Conference – talk about the importance of your brand strategy and this recognition.

Geoffrey Selzer

And so we were really honored and delighted to get to get those awards the 1 from the luxury marketing cannabis conference in New York was, we didn't even know they had had awards there, but we were delighted. Delighted to receive that the recognition we've gotten for the products not only through these awards but also through and industry professionals people who use our products. We consistently get very good feedback. But what we believe is that this next generation of cannabis three dot o and over the long term. We think that value-

added brands are going to be going to be the future. The financial future of cannabis so we are building, one our KOAN brand, we're creating a family of products for that. But we are also looking at expanding our portfolio brands we are in the luxury side of the business and we're also on the leading edge of the business. And we think that there is a lot of room for very high-quality brands that that attack the market from different perspectives and go after different demographics in the market and have different product lines in the market and so not only are we developing some of those internally, we are also looking at other possibilities of partnerships with other brands that are out there, and you know we're a public company and we spent a tremendous amount of time making sure that the capital structure of the of the entity itself of the public entity is really well controlled and really well structured and designed to allow us to use our stock and the entity itself to facilitate the expansion of the company either through partnerships or through acquisition. So, when we take a look at the industry and the places where it's strong and the places where it's slowing and where innovation could be applied. We are finding some very unique opportunities for us to potentially expand our portfolio of brands through transactions and acquisitions and we are in constant conversation about that. We have one that we looked at we love the people, and we love the company. There were just some things that they weren't quite ready for a combination but some of the other opportunities we're looking at are pretty exciting. So, I think you're going to see our core brand expand. You're gonna see us create a family of products under our core brand and then hopefully knock-on wood, you're gonna be seeing some additional brands coming to our portfolio.

OTC Markets Group

Tell us about your partnership with Grassdoor and how this is expanding your customer base.

Geoffrey Selzer

Yeah, that's a really good question and it's on a strategic level. It's very important to us and it gets it gets a little bit complicated. When you talk about the evolution of the industry, and you know I've mentioned cannabis 3.0 couple of times you're also talking about an evolving demographic that are using cannabis products and you have a traditional distribution infrastructure. That is built around the dispensary, especially in California around the 700 or so dispensaries that are in the state, those company those dispensaries sell a lot of flower and a lot of lower end products and you find that at times that they're in the majority of those dispensaries you have you have the maximum amount of THC available for the dollar i.e how high can I get for a dollar and then there's probably. 30, 25 to 30% of the dispensaries that are really evolving the product line and expanding the

demographic in in into this wellness more luxury brand kind of cannabis 3.0 market. But they they're clearly in the minority, when we started to really understand the implications of that there were 2 things that came out of it. 1 is the closer we can get to creating a company that acts and behaves like a digital native, the stronger we will be in order for us to have a very powerful direct-to-consumer business, delivery business, we're going to need a full family of products so that's one of the reasons that we're building out our product line. But Grassdoor is right now a California -based company that has an infrastructure in place that has an incredible software so stack a group of 500 drivers throughout the state that allow people to go to our website click. Buy now and have our product at their house in 2 to 4 hours in right now about 80% of the state and they're expanding. They're going to be expanding state to state so, over time having had a business that has a family of products that we can deliver anywhere in the country, directly to people's home is our long-term vision that's going to take us quite a few years to put into place, but Grass door is our first step in that direction and although I think it's small at its outset. Company itself is getting a tremendous amount of traction. We're beginning to get traction on that platform, and it is very critical to our long-term strategic planning.

OTC Markets Group

Yeah, so on that note, what does Resonate Blends and KOAN hope to accomplish in 2022

Geoffrey Selzer

Well, I've spoken to a couple of those what I want to see is I want to see the full breadth of the cordial products manifested and that will be that will be with you know 8 probably by the end of the year, nine different formulations available. They'll be in 3 different form factors. The boxes of threes the individuals and then the multiserve, we will have 1 more product on the shelf which will be in that edible category and that will probably launch with 4 different experience targets, we have been working at bringing other types of plant medicine, adaptogens ashwagandha, melatonin those types of things. And integrating them into our products you're going to be seeing some of that in in our sleep product. I suspect and, I'm going to be very cautious in how I say, you will see an acquisition possibly two before the end of the year, and finally we are very R and D focused, and we have 2 other initiatives in the pipeline, one that we're extremely excited about, but it has to do with. Being able to target the plant itself as effectively as we can target our cordials and our edible product that we'll be coming out with, and we've actually applied for patent on this technology. We've been working on for a while that we are very excited about, I'm afraid I can't say more about it than that but there will be light shined on all of those things that I've just talked about

over 2022 and we also expect to be raising more capital in conjunction with them with some of the acquisitions and some of the internal product initiatives that we're doing so we have a full 2022 and of us and we're very excited a little intimidated by the scope of what we're undertaking, but it's really nice to see the industry responding and those awards we win really up to fuel us as we as we as we go along and the feedback, we're getting from the market is helping to fuel us as well.

OTC Markets Group

Very exciting, Resonate Blends began trading on the OTCQB Venture Market in July of 2019 so what is your U.S. IR marketing strategy for the rest of this year?

Geoffrey Selzer

So, having run a public company now for a little over 2 years. 1 of the things I've learned is that IR is absolutely essential, and we've worked with a couple of very good companies. Over time and we will continue to do so and it's going to sound a little counterintuitive but not really, I think the best thing we can possibly do for IR is to outperform our own expectations. But. But we have a couple of partnerships there. We've worked with Mz group. We've worked with hybrid out of out of Canada we have good ongoing relationships with both of those companies and we plan to continue to push that. IR efforts especially as we start to accomplish some of these goals that I've laid out that were that that we're working on. We want to tie our IR to our own performance in in a pretty intimate way.

OTC Markets Group

Jeff, thank you so much for the updates. It's been a pleasure speaking with you.

Geoffrey Selzer

Thank you, Cecilia, and I look forward to talking, I guess it will be about another six months or year.

OTC Markets Group

Absolutely Resonate Blends trades under the symbol KOAN on our OTCQB Venture Market.

**This is an autogenerated transcript and may contain typos.*