

CANNABIS PROJECT UPDATE: AUGUST 4, 2016

As our Tribal community knows, the Warm Springs Tribe is plowing new ground in Indian Country with the cannabis project. The Tribal voters resoundingly supported this project by 86%! While some tribes have quickly entered into the cannabis industry with a limited approach such as a single dispensary or testing lab, we are the first Tribe in the nation to manage the development and regulation of a vertically integrated cannabis business – the Warm Springs facility will grow, extract, process, wholesale, and retail its own products. This approach allows us to maximize profits. This approach also takes time and careful planning however we are making great progress and setting the model for Tribes across the nation.

Also, while other tribes have not worked in cooperation with federal and state agencies and suffered the consequence of being shut down or raided, we have been very transparent and worked in collaboration with our state and federal partners. This cautious and strategic approach also takes time. Given these circumstances however we are still making tremendous progress and will get this project fully underway this year. Here are some major accomplishments and a brief explanation of why it has required additional time to complete these critical steps:

1. GREENHOUSE- the design is near completion. Next we will put the construction components out for bid to get accurate costs. Once costs are determined, we can submit this as part of our finance package. A key reason for the delay in moving forward with construction of the greenhouse is that we selected a new greenhouse manufacturer that would respond quickly to our needs and has better technology for cannabis growing. We expect site work to commence in August/September. The greenhouse will take 6 months to complete – approximately March.
2. RETAIL DISPENSARIES - We are actively working to secure Tribal dispensary locations in Portland, Salem, Eugene and Government Camp. We have identified excellent locations and are working through the licensing and permitting process. Our goal is to open the first dispensary by October/November.
3. FINANCING – We have developed terms for financing the project with our partner. This process has taken time to ensure we have a solid financing plan in place. We expect the loan agreement to be completed in August/September.
4. INTERGOVERNMENTAL AGREEMENT WITH STATE OF OREGON - We are very close to completing this agreement which coordinates the Tribal cannabis regulation and licensing process with the State of Oregon cannabis regulation process. We expect this to be completed in August/September.
5. WARM SPRINGS TRIBAL CANNABIS COMMISSION – The Tribal Commission has been appointed and they are getting oriented, working on licensing and permitting processes, and will soon hire an Executive Director. The Commission will work closely with the development entity to make sure operations are in full compliance with Tribal regulations.
6. TRIBAL JOBS FAIR AND RECRUITMENT – We are continuing to prepare for the tribal jobs fair, recruitment, and training process in preparation for the opening of our greenhouse and dispensaries. Because of the delays in other aspects of the project we unfortunately had to delay our August jobs fair. We expect to reschedule them in September/October and again this early spring.

We apologize for the delay and are working diligently to address some issues that have arisen. Also, we are working closely with the state of Oregon and federal agencies to move forward in a transparent responsible manner. We are excited to get our Warm Springs Cannabis business underway and will regularly provide updates on this website, the Tribal radio and newspaper.