

Transcript of Interview with Obie Strickler,  
Founder and CEO, Grown Rogue

Interview by Aaron Edelheit

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\*Lightly edited for readability

**Aaron:** Obe. Thank you for joining me again. I see we are in the world's most spectacular CEO's office in the grow facility, in Oregon! Is that correct?

**Obie:** Can't find me anywhere else, Aaron. So. Yep. Here we are. Yeah. Cool.

**Aaron:** Great. Well, thank you so much. I wanted to have this follow up interview, after this really wonderful agreement that you announced with Goodness Growth, which I believe is a win win for both companies. But the press release written, was a little vague and I thought we would kind of dive into that and also get an update on Grown Rogue. So, let me just dive in and try to get to the heart of the matter. This is what I read in the press release. Today announced that you have entered into a strategic agreement whereby Grown Rogue will support Goodness Growth in the optimization of its cannabis flower products with a particular focus on improving the quality and yield of top-grade A cannabis flower across its various operating markets, starting with Maryland and Minnesota.

**Obie:** Yep.

**Aaron:** What exactly does this mean? And then taking it from there, what is Grown Rogue doing for Goodness Growth?

**Obie:** One, great to be here and thanks for having me again. So, I appreciate that. This is really, it's a monumental shift in the way we think the industry should start collaborating. And what you have is you have these, you know, really strong, kind of call it legacy, more mature market, unlimited license operators like Grown Rogue, who have established this excellence in what we do. Understanding the consumer, understanding cost control, you know, really being able to create profitable businesses in very

competitive markets. And you combine that with what we've seen in a lot of the eastern markets where they're limited license, very difficult to win, where there's just been a different focus. Maybe they don't understand the consumer as much, it's not as mature. Maybe they don't understand cannabis and some of the operating requirements in order to achieve the success that is required to compete as the industry gets more competitive. And we feel like the combination, you know, the strategic partnership with Goodness is a monumental event in the industry of connecting operational excellence with very valuable, limited license. And the goal here is to bring our expertise, our systems, our process, the things that's made it so successful in Oregon and Michigan to the patients and consumers and customers that Goodness serves in their markets. And the timing couldn't be more, fortuitous, I guess is the right word because Maryland is going adult use here in a month. And hitting that is just right. Like all of a sudden, the consumer and the patient network really broadens. Everyone saw, which is some of the most exciting news in the industry and I'm surprised there hasn't been more hype around this, but Minnesota going legal is going to be huge. Big market, big opportunity. You know, Goodness growth, Vireo has one of two licenses currently in that state. And the mandate that they gave us was to come in and increase the quality of their product and replicate what's made us so successful in Oregon and Michigan and stick that into these two states. And so, we started working on this in about January, early February, you know, starting to bring our team.

**Aaron:** So, this is not this is not new? When you announced this agreement, it wasn't like you just started, you started like 4 or 5 months ago. Oh, wow.

**Obie:** Yeah, we definitely started. I mean, there's some risks there, right? Assuming that we could get a definitive agreement and a deal done that protects both sides. But there's no such thing as a good deal with a bad partner. And the relationship we had and just the feeling I got from the entire Vireo team was super strong. And we also knew that time is super valuable and it's going to take three, six, 12 months in order for the full Grown Rogue effect to permeate operations. And so, waiting to get the lawyers and, you know, there was some other kind of just unforeseen delays that, you know, these things just take time. Like we made the conscious effort and we had some protection to really push forward on this in a big way and start implementing our systems. And so, we're like five months into this and committed. Right. Like my team's been traveling there. You know, I haven't been out to the sites and maybe six weeks. But like, you

know, I was to each of these facilities, you know, half a dozen times over the course of the year already. My team team's traveling out there frequently, just relocated one of our director of cultivations into these markets. And so just leaning in on a really strong way, knowing that it takes time. You got to get the right scheduling, the planning and really getting prepared for the fact like, again, Maryland's going adult use soon, Minnesota's coming, but make sure they're in a really strong position to be successful as these markets roll out.

**Aaron:** Now when think about the Grown Rogue effect or I think about what your company has done, which is so, kind of spectacular. And it's the reason I'm an investor, and it's the reason I've written about you, it's the reason I've interviewed you is I've made the case and I think you even referenced it, that operational excellence is really what's in short supply in cannabis, not limited licenses. And watching you be the number one flower and be free cash flow positive in Oregon, which is one of the most or the most competitive states with one of the most or the most discerning customer base with the lowest cannabis pricing, though the cannabis pricing I guess is starting to increase, which is nice. And that you're free cash flow positive and you're free cash flow positive when indoor flower was \$800 a pound was remarkable. But then that you went to Michigan and when prices collapsed, you're still kind of, you know, zoomed up the charts to be one of the top flower brands in Michigan, but also to do it while being free cash flow positive. And now that you're going to Minnesota and Michigan, that's the that's how I think when I put on my investor hat. Can you give us, let's just go to the because I'm trying to understand exactly, you know, as much as you can share to a person who is not a cultivator, but as an investor, when I think about what you can bring and maybe they're related or not or but there's the quality side right, which it's even referenced the quality and yield of top grade cannabis flower, which obviously helps you with price. But I guess if you produce more, your cost goes down. So, but then there's also that Grown Rogue factor, which is, hey, we produce this top-grade flower but at a cost that no one else is able to achieve. So, I'm wondering if you can talk about the interplay or just separate them out. How should investors think about where you're shooting for to Goodness Growth to improve those two categories of a company that is has positive EBITDA but is still burning cash flow and not free cash flow positive like Grown Rogue?

**Obie:** Yeah, it's a good question. The short answer is the first mandate is to get their systems to be consistent. You know, a lot of things we see with, and Goodness was subject to this as well is, you know, they're very unreliable in terms of what's coming through. And that puts a lot of strain on the.

**Aaron:** You're talking about the quality. The quality of the flower is very inconsistent.

**Obie:** It is super inconsistent. What happens is then your consumer can no longer rely upon, or your patient can't rely upon your brand or your business as something that they can count on, you know? And so, that was number one, fixing that. And we did that through a few ways. One, we made some infrastructure improvements, right? So, we spent a little we, you know, told them, hey, we need to spend a little bit of cash. Let's fix a few things here. Not a lot. You know, like, you know, peanuts when it comes down to the big picture, but let's make the infrastructure better so we can get more reliable production coming out. So that was step one. Number two was installing our production systems, like from the growing perspective, right? To have consistent clone all the way through veg into flower, right? Genetic planning, scheduling, all those things to just create a more reliable, you know, kind of beginning, which is going to translate to what you can actually put on a shelf and the customer can take home and consume. And then post kind-of production, what we call the post-harvest process was really changing the culture and the way they think about product, their handling practices, you know, being more gentle. We changed the way they manage it post dry. And we've already seen a significant improvement in the A to B ratio. And that's just through like really no measurable change in cultivation yet because it takes 3, 4 or 5 months for a crop that we're responsible for to end up in a shelf, you know, there's the clone, the veg, the flower, I mean, it takes 16 to 20 weeks. But even taking their existing harvests that were coming down and just changing the post-harvest handling processes had significant improvements. And we're already seeing that translate through like, you know, consumers are having better reviews, the team is happier to be handling product that's cared for in this way. Costs are being driven down some because it's just more efficient to do it the way we do, and quality is going up. And so, you know, we're seeing I'd say 20 to 25% of what I wanted to do in the first 3 to 4 months. We'll see another 50 over the next three. Right. And that'll take us to about 70, 80%, probably 6 to 9 months in. And then we'll get into the very kind of nuts and bolts like, how do we really fix some of the cost structure to continue driving their cost of production down? But it's definitely a

very incremental improvement process. So, hitting the most bang for your buck very early and getting those things resolved and having that translate, you know, a good example is, as you know, cost control is super important to Grown Rogue. And my lead grower, who's now in Minnesota, wanted to bring our IPM specialists out. And my question was, is it because.

**Aaron:** What is that? For someone who doesn't know, what is a, you said IPM specialist?

**Obie:** IPM. Integrated Pest Management.

**Aaron:** Oh, okay, good. Just want to make sure.

**Obie:** Yeah. No standard cultivation term pests are one of your biggest challenges if you're not managing them properly. And so, he wanted to bring our IPM specialists out and I said, why is it because we have a bug problem or because you're trying to save a few bucks on costs. And it was he wanted to save a few bucks on cost. And I said, great, not the biggest priority. Fix their vegetative process, get the schedule right. We'll bring him out in 4 or 5 months. Right? So, it's about prioritizing and really aligning, you know, the stepwise process to build the same system that Grown Rogue's implemented but in a sustainable manner so their team can be trained and so they can take this thing forward, and with the end goal. Right, it's all about the customer, making sure the customer gets great product at the end of the day that they can rely upon. And again, like the reviews already coming out from like, you know, you'll read like the Reddit forums and they'll get feedback from some of the patients coming into Minnesota or some of the customers in Maryland. It's just been all really, really strong. And so, so far, so good. You know, the summer will be very interesting. They're growing greenhouses in, you know, less than hospitable climates, you know, a lot of humidity, you know, Minnesota greenhouse, like just think about that for a second. It's not like Glasshouse in California where it's sunny and dry. But we're very confident that you know, we'll never reach quite what we have for the indoor perspective in Grown Rogue's facilities because of our control of the environment. But we're going to create really, really high-quality product at a much better price than they've seen historically.

**Aaron:** Gotcha. You gave me a lot of information that I was already going to ask. So, from what I'm hearing, we should expect a continual improvement in Goodness' quality and that should also help cost. But the bulk of that kind of improvement, you're hoping to see Q3, Q4, that that should translate out, which is kind of great timing when you think about Maryland going adult use on July 1st, literally Q3, it's like perfect timing. So now let me switch from, you know, just how you're helping Goodness to, you know, I'm an investor in Grown Rogue. What does Grown Rogue get out of it. I see from the press release that it says again, kind of vague language. It says the incentive structure of the agreement whereby Grown Rogue only benefits if Goodness Growth benefits as well. And I guess this is your quote, "reflects my confidence and our operational ability to drive improved cultivation performance and I am excited about this opportunity because we have one of the best operations teams in the country". Okay. So, you're having some kind of incentive. What is it? I saw you did a warrant swap or whatever. What does Grown Rogue get out of it.

**Obie:** It's funny the legal and the PR teams are always trying to temper it's not "one of the" it is "the best" operation team. That's what I would like to see.

**Aaron:** I agree!

**Speaker1:** Our team is amazing.

**Aaron:** I haven't been able to find another at your size or whatever that does what you're able to do.

**Obie:** There was really kind of four components and all this will get, the independent contractor agreement we signed will actually be posted publicly as part of our filing requirements. But a little bit of just, you know, information around that. There was kind of these main components, right? One was the warrants, which is a security, and that was really to reflect the long-term kind of protection for both sides. Like Grown Rogue wanted some of that because we think Goodness is undervalued. We think with some of the improvements that we're going to see a return of their market cap and share price like they had, you know, kind of even pre the Verano, you know, kind of items that came up for them. We gave them some warrants in Grown Rogue because you know, a lot of companies don't appreciate the excellence that we bring. And so, giving them an

opportunity to participate, is our kind of Grown Rogue's coming out party like, you know, we have great operating org in Michigan, but people are like, Oh, that's great, but you're small. This kind of puts us on the national stage. And so, allowing them to kind of share in that upside. And so that was one part of it. There's an IP agreement based in that really protects Grown Rogue's kind of brand, you know, our packaging, you know, what we do while still giving, you know, Goodness and Vireo, all of these soft IP, we call it, like our systems, our processes, things that they can take long-term. And so, it'll be nice to put Grown Rogue's brand into a couple new markets and we expect to start, you know, kind of rolling those out towards the end of this year, first part of next year.

**Aaron:** So Grown Rogue's brand will be in Minnesota and in Maryland. Oh, didn't realize that. Okay.

**Obie:** Correct. We're definitely more of an adult use organization and so we'll probably in you know Minnesota probably wouldn't go into the medical side but as you know Maryland's launching adult use. And as we get the quality where we want it, some small percentage of what we produce and, you know, a lot of it's going to be supporting Vireo and Goodness brand. But, you know, we put in some stuff into the Grown Rogue side, so that was one part of it. We only get value if we increase performance for Vireo. And this is one of the things that I really liked about the deal is that, you know, it's how I've always been. It's like, just don't pay me for like an hourly rate. Like let me show you how successful we'll create. And we only make money if you make money. And so, we created this kind of, you know, like income equation, that is kind of proprietary to our deal. But essentially it's going to value the improvements that we create for Goodness. So, the better we are, the better Goodness starts to operate. The more cash they're creating, the more Grown Rogue will benefit. And so that's a pretty sizable opportunity for us because again, it's very low cash outlay. Like we're not spending a lot of CapEx, you know, we're mapping our talent and, you know, some of our team's bandwidth against this, which is a cost that we'll absorb. But it's really it's only blue sky for us in terms of opportunity. And, you know, we expect this to be six figures a month in terms of value that we're going to create. And so, we're pretty excited about that just dropping to our bottom line and seeing where that goes as we continue to make improvements and then take advantage of the market size increase that you're going to see as both our states grow adult use. The other thing is the term, right? We've got a pretty long term negotiated into it. There's some extensions and you know, Goodness has the right to

terminate this if they don't like what we're doing. But in order to protect us, you know, one of the things we got a lot was, okay, Obie, you're going to now go teach this MSO all your secret sauce, they're going to take it, say thank you very much and sayonara. So, we negotiated like a strong termination fee just to protect ourselves against that. And so overall, very, very excited with the agreement. You know, specifics and details will be when it's filed probably this week or next, you know, and so people will be able to go through that. And if there's more questions, happy to answer some of the specifics, but it's a really good deal for Grown Rogue. It's a great deal for Vireo, and it's a true collaborative partnership where, you know, we're not successful unless they are, and unless we help create success, they're probably not going to be as successful as they should be. So that's great.

**Aaron:** This is really it sounds like, a collaborative effort. And that's probably why there's the share swap. Why there's an incentive. And it sounds like the two teams are working well together to the benefit of both. And that you've been working together since January of February. So, you've been working for a while?

**Obie:** Yep.

**Aaron:** Should I think about this as a potential precursor to a merger or what? How, as an investor, should I think about what this is, or is this just hey, this is a strategic partnership, let's see how this goes, and we don't know anything about, how would you comment on that thought?

**Obie:** I think what Grown Rogue has through this is tremendous flexibility, which is always a great place to be. Now, like, I mean, no secrets, right? The interim CEO at Goodness is Josh Rosen. He's doing great things to help fix some of their balance sheet while Grown Rogue's really coming in to help with the operational side. You know, we're not retail experts, so there's some work being done on the retail side as well.

Processing, I mean, they've got a lot of different fingers in the pie, so to speak, with how much product and the verticals that they're associated with. Kyle's fantastic, right? He's been to Oregon. I spent several days with him out in Minnesota. Like he's the founder. He's now their executive chair. So, the cultural connection and the trust I have and just working with that, like Amber Shimpa, who's now the CEO and kind of the president of Goodness, the CEO there in Minnesota. You know, just great team, you know, across

the whole stack, down from their kind of leadership team down to their management team, down to their teams that are working in the facilities. Like there's just been a really strong positive approach. And that's step one. You don't again, no such thing as good deals with bad people. We don't want to work with folks that we don't get along with. Life's too short. Would it go to a merger? We'll see. I think it's set up. I think there's potential there. You know, we need to prove operationally that we can deliver the same level of success. Otherwise, why would they want to merge with us? They've got some balance sheet things they need to clean up with, you know, they've got a lot of leverage with their lender. They've got some things in New York with IIPR and kind of that sale leaseback. So, there's some things that need to get resolved on both sides. But I think, sure, why not? You take best in class operations with fantastic assets, and you bolt it together and you have a very interesting kind of organization that comes out of the back end of that. That being said, we're not tying ourselves to it. You know, we had early discussions around, oh, should we just merge it up? And the answer was not quite, you know, we don't want to be hooked to some of the challenges they face. And, you know, almost like, let's date before we get married type thing. They also didn't want to commit to Grown Rogue unless we can really show that we can deliver the results that we've done on our other states, because in my opinion, that's the next thing for us. Can we scale the success we've created in Oregon and Michigan? And so far, so good because what I've seen the team do over the last 4 or 5 months and it's actually gone quicker and faster than I expected. I'm very, very confident in our ability to take this from Oregon, Michigan now providing the same level of oversight and input in Maryland and Minnesota. You know, can we get a couple more? Can we take this to 12 states across the US where we've got our framework, our system operating at peak capacity.

**Aaron:** No and think this is one of the benefits, it's just a reminder to anyone listening is you only really do cultivation. So, that's your main focus. And so I think one of the problems that a lot of companies have is they I've kind of talked about this before and written about is there's three disparate businesses for many cannabis companies where for a variety of reasons, kind of necessity, you not only have to be a farmer, you then have to be a manufacturer, you have to build brands and you have to retail, which are just completely different businesses. And I think it really benefits Grown Rogue, your sole focus on cultivation and being the best in class at growing flower at the best cost and now that we know, you know one of the great things that I know that Goodness is now reporting, is what percentage of their flower is like that Grade A flower. And it's

going to be really fun because now I know you started January, February, so maybe there was a tiny little impact in Q1 and we should be able to see in Q2 and Q3 what the Grown Rogue effect is and that will be fun, fun to see.

**Obie:** I can tell you; it's going to be material and measurable. It already is. Which actually will be interesting, right? Because like a lot of the big MSOs, they like to promote, you know, biomass. And, you know, it's almost like a lot of the Canadian LPs used to report their total weight in Grams so they can have like we did 50,000,000g. It's like, come on, like do it in kilos or pounds. Like you're just gains mean shipping the numbers. Um, but one of our post-harvest things is part of their biomass was actually incorporating lower quality product, stuff that we would throw away, like fan leaves and stuff like that. So, what we expect to see a massive improvement, we've already experiencing this in like A to B ratio. We'll actually probably see total weight come down a little bit because they're reporting things that, you know, like it's just trash like throw it away, get rid of it, you know, focus on the best stuff. And so, I'm excited to see what they can do. Excited how our team is integrating it. And there's a lot of, just a really bright future for them right now. I mean, they've got their debt they did with Chicago Atlantic cleaned up. They've got a little bit of time now. You know, I think they've got really, really strong partners there. And I think if we can help with their production, some of the things Josh and Amber and Kyle are doing from the business side to kind of give us some runway. I mean, this organization.

**Aaron:** You're making me want to go out and buy Goodness. Which by the way, I own some shares. Full disclosure. It's a small position for me. But no, no, thank you for saying that, because, you know, it's kind of been the idea out there is it's kind of been left for dead and that they have kind of no hope. And you're painting a very different picture, which I'm really glad. It's coming from a company you're just partnered with.

**Obie:** I mean, let's put it perspective. Their market cap today is about the same as Grown Rogues. I think it's like 30 million Canadian, give or take. Right. What did GTI pay for the other Minnesota license two years ago?

**Aaron:** It was like 155 million, I believe. Us dollars.

**Obie:** Say they paid three times as much or even four times as much. That's the entire market cap of Goodness, is just that license. I think there were priced for bankruptcy for a bit, especially coming out of the Verano termination. Right. There was just a lot of what are they going to do? They haven't shown to be great operational mapping, operational talent towards their asset base. And I, I'm bullish on them right now. I mean, part of it is we have a partnership, right? But like super bullish on where they sit today and what the opportunity is in front of them with the way I've seen their team, how much they care, the passion, some of the things we're bringing, some of the other kind of talent they brought, in their existing kind of core base.

**Aaron:** You know what I love about what you're what you're bringing to them is. It's not like what they needed was like massive CapEx. What they really needed was the blocking and tackling, the processes. Especially I loved what you were describing about the post-harvest of how important, it's very similar to what Graham Farrar and Glasshouse are working on with their drying and storage and how much opportunity there is just after you harvest. So, I love this idea that you're just bringing to them expertise and process and even your guy talking about pest management and prioritizing but I love it is that you're bringing that improvement of quality but also with Grown Rogue's cost mentality. So, it's just it's going to be really fascinating to watch. We're going to watch a real-world example of what Grown Rogue can do.

**Obie:** It's been, the cultural integration is a big part of that. And I think I know Grown has their trust, which goes a long way. You know, part of that's Josh's relationship with being an investor in Grown Rogue. And so, he already believes in what we're doing. But, you know, like, you can talk to Kyle, Amber, like they have ultimate trust in what we've been able to establish. And so, when we recommend something, again, it's not because, we don't spend money like I still, even the money I've asked them to commit to these small infrastructure improvement projects, like, I mean, some of the stuff's like simple, like we need better airflow, put some fans in. I look at it like it's my own cash. Like there's times when I'm like, Oh, this? And I'm like, that's crap. Like, it's not going to cost that much. Let me go, I'm going to rethink that whole process. And it's that kind of stuff. I don't look at Goodness any different than I look at Grown Roads business. That's ultimately the fundamental fact. And part of that is because we're incentivized through performance and if we spend a bunch of money, we're not going to see any improvement because it's just all gets eaten up in expenditures. But that's just how we

operate and it's just part of our DNA. And even my team is just, watching the way they're going about making some of those same decisions around, hey, we could really use this. Well, it's going to cost that. Well, how about I just make this workaround work for the next six months and let's get some profitability going, make sure our systems are working right, then we'll go spend that money. And it's just it's been really, really exciting. And yeah, not like pins and needles, but I'm like, the proof is going to come over these next three months when we really see the things that we put in place, how does that translate, you know, better yield, better quality, better consistency? And so Q3, Q4, I think are going to be monumental shifts. If they're not, we're not doing our job. But it should be a big shift in the way Goodness is perceived. And we'll start to show the beginnings of how this company is going to be able to operate in their core markets. It's pretty exciting.

**Aaron:** That's great. Now focusing back on Grown Rogue, your core markets of Oregon and Michigan. Can you tell us how, it sounds like prices are starting to rebound. And we had talked about before, you know, California kind of leads in many ways. And then you had this kind of massive wipeout and the price started increasing. And I think in our last interview, you had mentioned that things were tight, and you expected that normally that leads to pricing increases. Can you give us kind of an update on how things are going in Oregon and what you see in terms of inventory and pricing? And then maybe also give an update on Michigan?

**Obie:** Yeah. Our core business is operating in pristine condition. Better than I've ever seen it, and that's all of the efficiencies and systems we put in place continue to hum. If anything, they're just getting incrementally better. You know, we've talked for six, eight months and it's been a year for Grown Rogue where we've been pretty much carrying no inventory. Like, we can't make it fast enough. And that necessarily hadn't translated to price recovery. Like we still saw a little bit of compression coming in Michigan. Oregon was pretty stable, you know, although we saw a huge improvement in outdoor this year, which really helped. I mean, outdoor was up, you know, 100%, you know, from pretty much money losing prices to, you know, make a little bit of money. So that's been really good. But. Just over the last 2 to 3 weeks, it seems like, I think I mentioned this on a tweet the other day or something like this. But, you know, Michigan's up 15, 20%. Oregon is the same. And that's just in a really, really short time period. And the reason that's so important to us is we're actually coming into the historically the highest

demand, highest price seasons of cannabis, the summer. And that's when demand is the highest. People are outside. They're going to concerts, they're being social. You know, there's less supply normally because the outdoors kind of dried up. And so, we expect to see this kind of continue. We feel like that wave has been overcome of what maybe the reserves were sitting in some people's kind of inventory, some, you know, buckets or whatnot. But, you know, knock on wood, it continues. Price has been going up quite a bit and the business just continues to operate really, really effectively.

**Aaron:** Which probably gives you confidence to then be able to, you know, obviously go after a Goodness, and secure a Goodness deal. But also, I know from our previous talks you are looking at other markets as well. And you know, you even referenced this before that your goal is to get to like 10 or 12 markets. I know you're not stopping with this agreement, and you're still focused on new markets, does groundhog have the capacity to go after new markets still this year? And what are your plans? What's next?

**Obie:** Assets are cheap right now because there's no capital available in the US.

**Aaron:** And you have free cash flow!

**Obie:** We have yeah, we have free cash flow, but we also have I mean like if we wanted more cash, we could go get some. And so, we're definitely going to be working very hard to take down at least one more, maybe two more states this year. We're talking internally about, you know, biting off more than we can chew. The timing is actually working out really well. Like the progression I've seen of how our team has been able to deliver our implementation with the Goodness operations has given me a lot more comfort that we can scale this thing.

**Aaron:** Because that's the key, right? The key is people, right? And that transferring your culture, because I've watched it with other companies that have expanded, and they've bitten off way more than they can chew, and it's gone to hell.

**Obie:** Yeah, I think. You know, is it a marathon or a sprint? You know, people always talk about those things. We've definitely taken this as a marathon approach and so not getting overextended. We also know who we want to be like. We never set out to be the biggest. Like, I'm not Boris. I'm not saying I want to build the biggest cannabis company

in the world. That's not what I get excited about. We've got a very clear expectation of who we want to be, and we're in it for the long haul. Of course, we want to make money. We want to return money to our shareholders. We're going to do all that. But it's about building a sustainable business. And I can't stress enough the team and the culture. And so many companies have overgrown that and they've just they've lost their way. And so. I would be very surprised that if in the next 2 to 3 months we don't announce another opportunity into a new market.

**Aaron:** And that new market would be like another kind of limited license state, right?

**Obie:** Of course. Yeah. Yeah

**Aaron:** This is the most exciting from an investor standpoint is like taking Oregon, a company that's used to producing in Oregon and Michigan and doing it free cash flow and going to some other limited license state where prices are much higher and competition is much less. So, you believe in 2 or 3 months you'll announce yet another.

**Obie:** Yeah. Yeah. We're in the middle of working on two of them right now. And you know, again, like we have more capacity we can build into in Michigan. We're generating plenty of free cash flow there, but we're not spending it against more expansion there because, again, it's not the best place, we don't believe, currently the best place to invest our capital. And so, you know, like even the money we raised from your investment in December, like it's still sitting on the balance sheet, like we spent a little bit on like giving us a little bit more flexibility in terms of timing. But we didn't just take it and just rush out and, oh, let's go build another three rooms in Michigan or, you know, let's spend a half \$1 million on more outdoor production in Oregon. We're like, we know there's opportunities coming. Let's continue our disciplined approach and let's do what we've done for years now, which is being one of the best allocators of capital in the space in terms of the return on that investment. And I think we're going to see the same opportunity coming up here soon where not just mapping our talent, our bandwidth like we are with Goodness, where it's a very low cash, but looking at a market something similar to Michigan where we have majority control or full ownership and it's more of an owned asset. We will map some of our cash and obviously putting our talent against that will be paramount to success.

**Aaron:** Oh, awesome. Obie, this has been fantastic. And it's going to be really exciting watching the next like, I don't know, 6 or 12 months to see not only improvement in Goodness' results, to see what impact this has on both of your companies. To see, I guess the next 1 or 2 other limited license states you are entering it. It feels like it's going to be a pretty full year for Grown Rogue.

**Obie:** It is, I think.

**Aaron:** And that you're getting aggressive at the exact time that everybody is pulling back.

**Obie:** That's just what I was going to say, like being a little greedy when others are being fearful because there's a lot of fear in the space right now. But again, not getting away from our, our knitting, which is the disciplines which has made us so successful. So being very strategic in how we look at our expansion and our growth prospects and not being like distracted by shiny objects. So, everything we do is thoughtful. It's within our kind of strategic plan of where we want to go and how we want to expand and the things that we're looking at that I'm pretty confident we'll get through. It's right within kind of the sweet spot we've established. So, it's exciting. It's good. 2021 was a year of kind of growth. You know, we built Michigan, we bought the acreage asset, market collapsed. That was very painful. 2022, we really rightsized and created all the efficiencies we've established. And now here we are in 23 looking at the next phase of growth for the organization. So, coming out of 23, you know, into 24. It's going to be a much different company than what you had, you know, last year.

**Aaron:** Well, great. Thank you so much. I really appreciate it.

**Obie:** Thanks a lot. Thanks for having me.