

This Pot Stock Could Be an Even Hotter Buy Than Aurora Cannabis Inc. (TSX:ACB)

Description

It can be difficult to keep up with the constantly changing landscape in the marijuana industry. With many <u>new entrants</u> getting listed on the exchanges, it can be hard for investors to keep track of all the competition.

Green Organic Dutchman Holdings Ltd. (TSX:TGOD) is a great example, as it has been listed on the TSX only since May, and already its share price has skyrocketed in value. In just the past month, Green Organic's share price has more than doubled, and there remains a lot of bullishness about the company's long-term future.

What has gotten investors so excited about the stock?

A few weeks ago, Green Organic had announced that it had entered an agreement to license RIPPLE SC and other proprietary infusing technologies. While it is still patent-pending, there are a couple of big reasons why investors see a lot of value in this technology.

The first is that it would allow cannabis-infused beverages to get into your bloodstream in about 15 minutes, and it can stay there for up to four hours. It allows users to quickly get a high and enjoy the effects for a long duration of time.

The second reason is that the technology doesn't require sugar to be added in the process, and that will be of utmost importance to medical marijuana users that need to a healthy way to consume cannabis, especially if it is done so through a beverage.

It should be noted that the agreement with Stillwater Brands for the licence is exclusive, and that will give Green Organic a distinct advantage in the market when edibles become legal to sell, which is expected to happen sometime next year.

Rob Anderson, the CEO of Green Organics, is very optimistic about the opportunity, stating in the company's release, "This technology will allow TGOD to provide patients and customers around the globe with novel and effective dose-controlled delivery systems that are safer, more standardized, and

more discreet than most current cannabinoid delivery systems."

Key partnership also a big advantage

However, it's not just the edibles market that has investors bullish on the market. Prior to its IPO, Aurora Cannabis Inc. (TSX:ACB) had invested \$55 million in the company to obtain a more than 17% ownership in Green Organics. The close relationship between the two companies will help add credibility to Green Organic and will make it easier to obtain market share in the industry.

Is Green Organic a buy?

With its stock price up 100% since May, Green Organic has done exceptionally well, perhaps even too well for investors to consider buying today. Its market cap has already hit over \$1.4 billion, making it one of the largest cannabis stocks on the TSX in a very short period of time.

Although there is no denying the market for edibles and the potential that exists there, I'd be very hesitant investing in the company today. There's a lot of risk in investing in a company that has no revenue, and a lot can change in the market by the time it is ready to open its doors. However, for investors willing to take on the risk, the returns could be significant. default watermark

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Date 2025/10/01 **Date Created** 2018/06/12

Author

djagielski



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