



3 Pot Stocks Poised for Epic Growth

Description

The legalization of adult-use marijuana in Canada is almost one-year-old. Will pot stocks ever deliver sky-high returns? Believe it or not, **The Green Organic Dutchman** (TSX:TGOD), **Flower** ([TSXV:FLWR](#)), and **Auxly** (TSXV:XLY) will carry the torch for the industry. All three pot stocks are poised for [epic growth](#).

Purely organic

TGOD was built on the concept of entirely organic processes. All of its products are free of synthetic pesticides and fertilizers. Led by CEO Brian Athaide, the company will make sure TGOD would be able to provide organic cannabis on an international scale.

Athaide brings with him more than 28 years of global executive experience. Before joining TGOD, Athaide held top-level positions at **Andrew Peller** and **Proctor & Gamble**.

With a projected peak annual production of 219,000 kilograms, TGOD would be one of Canada's top five cannabis producers. Once the facilities are fully operational, its \$39.1 million sales in 2019 could surge to \$227.9 million, or a monstrous 482.9% increase.

TGOD's flagship Valleyfield campus will concentrate on beverage and edible production. A three-year agreement with extraction services provider **Neptune Wellness Solutions** is in place.

TGOD can ramp up commercial production of high-margin derivative products from 200,000 plus kilos of cannabis and hemp biomass. TGOD would finally taste [profitability for the first time](#) in 2020.

Blossoming flower

Flower is not a **significant** cannabis grower, but the small-cap stock offers tremendous growth opportunities. Its flagship Kelowna facility, one of the most advanced, purpose-built cultivation facilities in the world, could produce a minimum of 50,000 kilos at peak capacity.

With its niche play on dried flowers (premium and ultra-premium) and derivatives, the company won't be dealing with pricing or supply issues. Sales in 2019 could potentially skyrocket by 354.8% to \$104.6 million in 2020.

Flower's seven million square feet grow farm in Portugal would create derivative products for Europe's medical market. Once fully operational, the outdoor growing facility could produce half-a-million kilos of marijuana.

But the Kelowna campus is Flower's most significant advantage. The facility could grow varieties of top quality cannabis cycle after cycle and with consistency.

Cheapest but astonishing potential

You can buy Auxly for less than \$1 today, but don't underestimate this \$554.95 million integrated cannabis company. Your investment could grow by 3,077.5% in a year.

A team composed of visionaries with in-depth industry knowledge formed Auxly in 2017. The members possess the scientific and technical expertise to bring branded and high-quality cannabis products to the medical, wellness and adult-use markets.

Auxly could be the fastest-growing cannabis stock because of several streaming partnerships and the joint venture with Sunens Farms. Sunens is a fully automated, purpose-built greenhouse that's currently under construction. Bank of Montreal is providing a \$71.5 syndicated credit facility.

The one million square feet greenhouse can cultivate 100,000 kilograms of cannabis yearly beginning the second quarter of 2020. Auxly earned a paltry \$5.8 million in 2019 because the joint venture and the partnerships have yet to obtain the cultivation licenses.

By next year, however, you can expect Auxly's sales to balloon to \$184.3 million. The company is holding back dried flower production. The plan is to transform this low-margin product into high-margin derivatives (concentrates, edibles, and vapes) and make them the future growth drivers.

Not dead in the water

The cannabis industry is not dead in the water. The three small-cap pot stocks would prove critics wrong with epic growth in 2020 and beyond.

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