



18 May 2017

RESPONSE TO MEDIA COMMENTARY ON PROPOSED CAPITAL RAISING

AusCann Group Holdings Ltd (ASX:AC8) ("the Company") notes commentary in various media outlets regarding the proposed capital raising announced in the Company's request for trading halt released to the market on Wednesday, 17 May 2017.

The Company confirms that, whilst the indicative terms of the proposed capital raising disclosed in the media reports are broadly in line with the Company's objectives, the bookbuild process is ongoing and the Company is not yet in a position to confirm final pricing or quantum of funds raised.

The Company expects to be in a position to announce final details of the capital raising prior to market-open on Friday, 19 May 2017, at which time the Company expects to come out of trading halt.

For more information please contact

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ABOUT AUSCANN GROUP

AusCann is an Australian based company that was incorporated in September 2014 with the aim of producing and providing high quality, affordable and clinically validated cannabis medicines to patients. It is bringing together leading expertise and operations across all aspects of the medical cannabis value chain, beginning with cultivation and production, through to manufacture and distribution of products and has built a strong team of experts and partners across the globe. Partners include: TSX listed Canopy Growth Corporation - the largest producer of medicinal cannabis globally; DayaCann - the only licensed medicinal cannabis grower in Chile; and Tasmanian Alkaloids, producer of ~40% of the world's alkaloid raw material.

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