

18 DECEMBER 2017

AUSCANN PLANTS SECOND CROP IN CHILE

- AusCann's 50:50 joint venture, DayaCann, plants its second medicinal cannabis crop in Chile
- Planting of the crop follows the recent granting of its second cultivation licence by the Chilean government
- DayaCann presently holds the only cultivation licence to be issued in Chile
- Harvest of the crop is expected to commence in the first half of 2018 and is to be processed into trial formulations for the treatment of chronic and neuropathic pain
- Planting represents another positive milestone in establishing a fully integrated medical cannabis supply chain in Latin America
- This complements and diversifies the work being undertaken in Australia to develop a fully integrated medical cannabis supply chain to provide final dose form medications to Australian patients

AusCann Group Holdings Ltd (ASX:AC8 or 'the Company') is pleased to announce that its 50:50 Chilean joint venture, DayaCann, has commenced planting of its second medicinal cannabis crop, following the grant of its cultivation licence as announced on 22 November 2017.

The crop is being planted at DayaCann's 30-hectare facility south of Santiago. Pursuant to the cultivation licence, a maximum of 435 plants will be planted at the facility, providing a range of cannabis strains to be extracted and processed into trial cannabinoid formulations for the treatment of chronic and neuropathic pain. Once processed into pain formulations the product can progress to clinical trials and registration with the *Chilean National Institute of Public Health*. Once registered, Chilean legislation permits that medications can be exported.



Images of the second crop at DayaCann's Cultivation Facility in Chile

AusCann and the DayaCann JV are focused on establishing a fully integrated supply chain in Latin America, that will see it manage operations from cultivation through to the development and sale of final dose form medications.

The crop is expected to be harvested in the first half of 2018.

The AusCann/DayaCann operations in Chile complements the AusCann/Tasmanian Alkaloids strategic partnership in Australia with fully integrated cultivation and manufacturing of final dose form medications. AusCann/Tasmanian Alkaloids are the only

group to hold all necessary licences to produce final dose form Australian cannabinoid medications.

Elaine Darby, Managing Director, AusCann commented: "The harvest of our first crop in Chile in April this year saw AusCann yield over 400kg of dried cannabis product. We have since selected the highest yielding strains from that crop and are now cultivating our second crop using these strains. From these strains, it is our intention to develop final dose form medicines for the treatment of chronic and neuropathic pain that will be supplied into the significant Latin American market."

-ENDS-

For more information please contact

AusCann

Elaine Darby
Managing Director
elaine.darby@auscann.com.au
+61 458 372 511

For Media Enquiries

Caroline Zielinski
Media & Capital Partners
Caroline.zielinski@mcpartners.com.au
+61 400 172 145

ABOUT AUSCANN GROUP

AusCann is an Australian based company that was incorporated in September 2014 with the aim of producing and providing high quality, economical and clinically validated cannabinoid 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 final dose form medications and has built a strong team of experts and partners with international connections. 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 approximately 40% of the worlds opiate supply.