

AusCann Share Purchase Plan Raises \$1.9m

Highlights

- AusCann has raised approximately A\$1.9m via a Share Purchase Plan (SPP) and will issue approximately 1.8m new shares
- The SPP followed a share placement to institutional and sophisticated investors which raised approximately A\$33.4m
- Proceeds of the placement and SPP will be used to fund clinical studies, R&D, the expansion of the Company's Australian and Chilean operations, the medical outreach program and for working capital

Thursday, 9 August 2018 – Leading medical cannabis company **AusCann Group Holdings Limited** (ASX:AC8) ("AusCann" or "the Company") is pleased to provide the results of its recent Share Purchase Plan ("SPP").

AusCann received valid application monies from shareholders totalling approximately A\$1,934,200 pursuant to the SPP announced on 16 July 2018.

The SPP followed a share placement to institutional and sophisticated investors which raised approximately A\$33.4m (before costs) [ASX Announcement: 5 July 2018].

Under the SPP, existing eligible shareholders were offered new fully paid ordinary shares at an issue price of A\$1.05 per share, a 4.5% discount on the recent share placement price and a 5.6% discount on the volume weighted average price of the Company's shares traded on the ASX over the five trading days prior to July 16, 2018.

The Company will issue 1,842,076 new shares today with quotation expected on Friday, 10 August 2018.

AusCann will use the funds raised under the SPP and share placement for the following:

- Clinical studies for product registration in Australia;
- Expansion of an Australian manufacturing plant for final dose form manufacturing;
- Establishment of a manufacturing facility in Chile;
- Establishment of medical outreach programmes in new international markets
- Research and development of cannabinoid pharmaceuticals; and
- Costs of the offers and general working capital requirements

AusCann Managing Director Elaine Darby: "AusCann thanks all of our shareholders for their support in this share purchase plan. It was great to see many of our shareholders taking this opportunity to increase their position in the Company. We now have sufficient capital for our next stage of growth as we move towards Australian manufacturing of proprietary capsule based cannabinoid medicines."

ENDS

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ABOUT AUSCANN

AusCann Group Holdings Limited (ASX:AC8) is an Australian-based pharmaceutical company that aims to produce high quality, economical, and clinically validated cannabinoid medicines. AusCann 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. Through partnerships with industry experts, existing leading market participants and doctors, AusCann is building operations and educating the medical community about the benefits of cannabinoid medicines. Established in 2014, AusCann is currently the only ASX listed company with the full set of necessary licences to grow and manufacture cannabinoid medicines in Australia. The Company is initially targeting medications for neuropathic and chronic pain in Australia and Chile, whilst exploring global export opportunities.