

AusCann appoints PCI Pharma to manufacture its first medicinal cannabis product line

Highlights

- AusCann appoints TGA licensed PCI Pharma to manufacture and release its first medicinal cannabis product line.
- New proprietary solid hard shell capsules for treatment of chronic pain are scheduled for release in H1 2019.
- AusCann's first stage solid capsule product addresses the needs of doctors and patients for a consistent, stable, easy to administer oral dose form for the treatment of chronic pain.
- Initial target market is the estimated 1.9 million Australians who suffer chronic neuropathic pain through the TGA's Special Access Scheme.

Tuesday, 13 November 2018 – Leading medical cannabis company **AusCann Group Holdings Limited** (ASX:AC8) (AusCann or 'the Company') is pleased to announce it has appointed TGA licensed PCI Pharma to manufacture and release its first medicinal cannabis product line, its proprietary solid hard shell capsules for treatment of chronic pain. These products are scheduled for release in H1 2019.

PCI Pharma is a US based company with operations in North America, Europe, Asia and Australia providing outsourced drug development and manufacturing services to the healthcare sector. It will manufacture AusCann's hard shell capsules at its manufacturing facilities in Australia, where it is licensed by the Therapeutic Goods Administration (TGA).

AusCann's solid hard shell capsules will target the estimated 1.9 million Australians who suffer chronic neuropathic pain through the TGA's Special Access Scheme. The product line will also be available for supply internationally and for clinical studies towards registration on the Australian Register of Therapeutic Goods.

Managing Director of AusCann Ms Elaine Darby said: "AusCann elected to work with PCI Pharma due to their significant experience in providing manufacturing services of solid dose potent products to high standards of safety and quality. This allows AusCann to bring its first hard shell capsules into the chronic pain market as quickly as possible, while continuing to focus on the development of our second generation cannabinoid pharmaceutical products."

The manufacturing work by PCI Pharma complements AusCann's research and development site it proposes to establish in Western Australia (WA) in early 2019. The WA site will be focused on the development of AusCann's cannabinoid pharmaceutical product pipeline and will encompass cultivation, extraction, new product development and manufacturing activities.

Strain improvement cultivation at the WA site is expected to commence in H1 2019 with genetics provided by Canopy Growth. These genetics have already cleared quarantine and are available for collection and planting. Material from this cultivation will also be used in AusCann's own manufacturing R&D work.

Cultivation activities will be overseen by AusCann's master grower, Canadian Luke Pigeau who has over 10 years cannabis cultivation experience with groups such as AgriPharm and Mettrum Health Corp. Development, extraction and manufacturing will be overseen by AusCann's experienced pharmaceutical team. The team, headed by Dr Paul MacLeman, previous CEO of IDT Australia Ltd, has over 80 years combined experience in the pharmaceutical sector.

Medicinal Cannabis and Chronic Pain

AusCann is positioning itself as a leader in the manufacture and distribution of final dose form cannabinoid pharmaceuticals. The Company's unique solid capsule product addresses the needs of doctors and patients for a consistent, stable, easy to administer oral dose form for the treatment of chronic pain.

The patient group suffering chronic pain is significant. Around 3.2 million Australians suffer chronic pain and existing treatments are lacking in efficacy and have notable side effects. The main reason for the use of medicinal cannabis globally is for the treatment of chronic pain. It is also an area where there is clinical data supporting its use.

The US National Academies of Science 2017 review provided that there was 'strong and conclusive evidence' for medicinal cannabis treatment of chronic pain in adults. Additionally, the TGA guidance document on the use of cannabinoids for chronic pain provides: 'patients who used medicinal cannabis for non-MS related neuropathic pain were more likely to experience a 50% reduction in pain and a reduction in pain scores compared with patients taking a placebo'.

More information on PCI Pharma can be found at the following link: <https://pciservices.com/>

ENDS

For more information, please contact:

AusCann

Elaine Darby
Managing Director
info@auscann.com.au
+61 8 9561 8834

For Investment Enquiries

Quentin Megson
info@auscann.com.au
+61 8 9561 8834

For Media Enquiries

Elodie Castagna
FTI Consulting
elodie.castagna@fticonsulting.com
+61 8 9321 8533

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. Incorporated in 2014, AusCann holds 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.