

AusCann Leadership Transition Update

Monday, 17 December 2018 – Leading medical cannabis company **AusCann Group Holdings Limited** (ASX:AC8) (AusCann or 'the Company') wishes to provide an update on the Company's CEO transition.

Further to the announcement on 27 September 2018 regarding the intended departure of AusCann's Managing Director, Ms Elaine Darby, the Company advises the executive CEO search is progressing to plan and is now at an advanced stage. The Board has selected a final shortlist and is confident in the high calibre of Australian and international candidates that it believes have the necessary skills and experience to guide AusCann through its next phase of growth as a pharmaceutical manufacturing and sales business. The Board expects to make an appointment once final interviews have been completed early in the new year.

Dr Paul MacLeman, Executive Director at AusCann, will act as interim CEO from 1 January 2019 until a full-time appointment is made by the Board. Dr MacLeman is an experienced pharmaceutical executive and has been a senior consultant to AusCann since October 2017. Dr MacLeman is leading the Board's executive CEO search process. Dr MacLeman's remuneration remains unchanged whilst acting in the Interim CEO role.

Managing Director, Ms Elaine Darby, commented: "The CEO search process is progressing very well and is now nearing completion. The transition is a natural evolution that reflects the continued growth and development of AusCann, and the Board has worked to ensure it is a well planned and orderly one."

"I am extremely proud of what we have achieved at AusCann since the inception of the Company in 2014 and listing in early 2017, including our licensing, cultivation, and product development activities which have culminated into our hard shell capsules soon to be commercialised. I am confident AusCann will go from strength to strength as it moves into a manufacturing and marketing footing for our first-generation product range. We see innovation and continued new product development as key to the next stages of the Company's development."

AusCann Chairman Dr Mal Washer, added: "The Board extends its gratitude to Elaine for the invaluable contribution she has made at AusCann. Under Elaine's leadership, the Company has achieved critical milestones and established itself as a key player in the Australian and international medical cannabis sector."

"This leadership transition is a significant milestone in the growth of AusCann, and we are confident the process undertaken will result in the selection of an excellent candidate to take the Company forward."

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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. 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.