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24 May 2016

AusCann Alliance with Murdoch University

TW Holdings Ltd (**ASX:TWH**) (the “**Company**”) previously announced on 9 May 2016 that it had entered into a binding agreement for the acquisition of 100% of the issued capital in AusCann Group Holdings Ltd (“**AusCann**”).

The Company is continuing to progress with the acquisition arrangements, including documentation and due diligence.

The Company is pleased to announce that AusCann has entered into a research alliance with Murdoch University. A copy of a joint announcement by AusCann and Murdoch University is **attached**.

Yours sincerely

David Wheeler
Non Executive Chairman

FOR IMMEDIATE RELEASE

24 May, 2016

MEDICINAL CANNABIS GROUP AUSCANN ENTERS RESEARCH ALLIANCE WITH MURDOCH UNIVERSITY

- Link adds significant Australian expertise to AusCann's leadership position in medicinal cannabis.
- Internationally recognised plant biotechnology expert Professor Michael Jones to supervise research projects.
- Alliance adds to existing links with Canada's Canopy Growth Corporation and Spanish breeding company Phytplant

Perth, May 24 2016- AusCann Group Holdings Ltd ("**AusCann**") and Murdoch University are delighted to announce a new five year research alliance intended to lead to the development of projects in the field of medicinal cannabis.

The strategic research and development alliance will enable world leading research in the cultivation and development of medicinal cannabis strains for the effective treatment of various medical conditions, and which are also suited to Australian growing conditions.

"We are particularly proud to have Murdoch University as a partner, given their research into plant breeding is truly world renowned," said AusCann chief executive Elaine Darby.

"Professor Michael Jones, who is the Foundation Director of the WA State Agricultural Biotechnology Centre and Professor of Agricultural Biotechnology at Murdoch University, has made a notable impact in improving crop resilience, breeding and yields here and overseas."

"Having such experienced research partners involved in the formation of a new medicinal cannabis industry is a key step for us," said Ms Darby.

Professor Jones is also a co-founder and Chief Scientific Officer of the trait development company, NemGenix.

Professor Jones is an internationally recognised expert in agricultural biotechnology and has been involved in significant breakthroughs including the development of molecular diagnostic tests for the grains industry, pioneering the use of marker-assisted selection for wheat and barley in Western Australia, and more recently developing gene silencing technology to control crop pests.

"I am really looking forward to working with AusCann and to help build up the knowledge base in developing improved medicinal cannabis lines," said Professor Jones.

"The recent changes to the Narcotics Drug Act have provided a pathway to permit cannabis for medicinal product manufacture, to be grown in Australia."

Murdoch's Deputy Vice Chancellor Research and Innovation Professor David Morrison said the overarching agreement with AusCann will capitalise on a wide range of Murdoch expertise, which could lead to the involvement of more researchers across a broad range of research fields.

"Murdoch University places a great emphasis on collaborating with industry partners like AusCann," said Professor Morrison.

"Our demonstrated expertise in translational research enables us to forge strong industry partnerships, allowing us to align with the federal government's innovation agenda.

"Murdoch will, as usual, apply its strict code of compliance and ethics to all research projects resulting from the collaboration. This process normally includes community and expert consultation to actively consider the production processes, the benefits as well as any resultant ethical issues that may arise.

"Under the current agreement Murdoch University will not receive any profits from the outcome of the research activities."

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