



Annual General Meeting

Ido Kanyon – Chief Executive Officer
29 November 2019



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Who is AusCann

AusCann is an Australian Pharmaceutical Company focused on Cannabinoid-based pharmaceuticals

- **A Pharmaceutical Company:** Engaged in product innovation and clinical partnering within the medicinal cannabis growth sector. Possessing superior product development capabilities, medical education and customer engagement. Outsourcing raw material supply, manufacturing and distribution to top quality global suppliers.
- **Strategy:** Develop proprietary products and the clinical evidence to address unmet medical needs and improve patient lives. Provide standardised and dosage controlled cannabinoid-based pharmaceuticals targeting a broad spectrum of indications and supported by evidence-based data. Strategy execution will lead to trust, brand loyalty, increased patient access, volume and value growth.
- **Road to Market:** All required Australian licenses are received. Proprietary capsules are developed and manufactured. AusCann's proprietary capsules on track to be released to clinics for trials towards the end of 2019.
- **Funding:** Well funded to execute strategy with over \$32M in cash as of 30 September 2019.
- **Focused Capital Allocation:** Product development, collaboration with healthcare providers to generate clinical evidence, product commercialisation with targeted customer education programs.
- **Experienced Medical and Pharmaceutical team:** Backed with strategic partnerships along the supply chain to execute growth.

Delivering CY 2019 strategic priorities

Hard-shell Capsules

- Commercial size batches of AusCann's hard-shell capsules manufactured
- Currently undergoing final lab testing prior to being released for clinical trials by the end of 2019
- AusCann appointed TGA licensed Aspen Pharmacare Australia to provide packaging services for its hard-shell capsules

Clinical Trials

- Efficient pharmacokinetic (PK) study designed to inform doctors with specific information on how to prescribe AusCann's unique hard-shell capsules
- The trials are also designed in a manner that provides high quality data and can be used in the future for product registration
- Contract Research Organisation (CRO) engaged and protocols finalised

Raw Materials Supply

- Continue to diversify and increase cannabis raw material supply
- Supply agreements with TasAlk and with MediPharm Labs
- DayaCann to continue to pursue export licenses from Chile

Product Development

- Finalised the pre-clinical R&D work required for the hard-shell capsules
- Pharmaceutical product development site construction is on track and on budget
- Site to encompass R&D scale: cultivation, extraction, new product development

RECONFIRMED

Corporate Overview

Corporate Structure

- ASX code: AC8
- Listed: February 2017
- Shares issued: 316,997,357
- Share price: \$0.195
- Market capitalisation: \$61.82m
- Cash²: \$32m
- Largest shareholder:
Merchant Funds Management (13.43%)



Hon Cheryl Edwardes AM
Interim Chairman



Mr Ido Kanyon
Chief Executive Officer



Bruce McHarrie
Non-executive Director



Dr Marcel Bonn-Miller
Non-executive Director



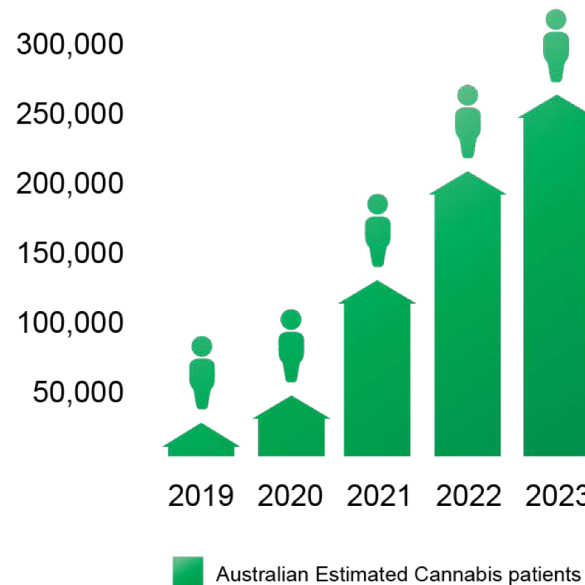
Chris Mews
Non-executive Director

Strong growth market in Australia

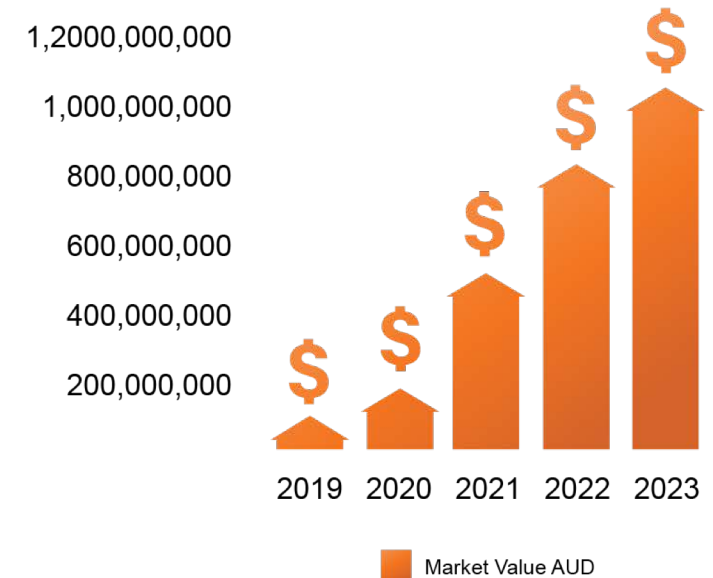
The transition to using cannabis derived products for medicinal purposes is gaining significant momentum

- **Regulatory framework in place** to enable the cultivation and manufacture of cannabis products in Australia
- **Market Access framework in place** to provide Australian patients with cannabinoid-based medicine
- **Approval by the Australian Federal Government** for the export of cannabinoid medicines from Australia

Australian Cannabis Registered Patients
Estimate 2019 - 2023



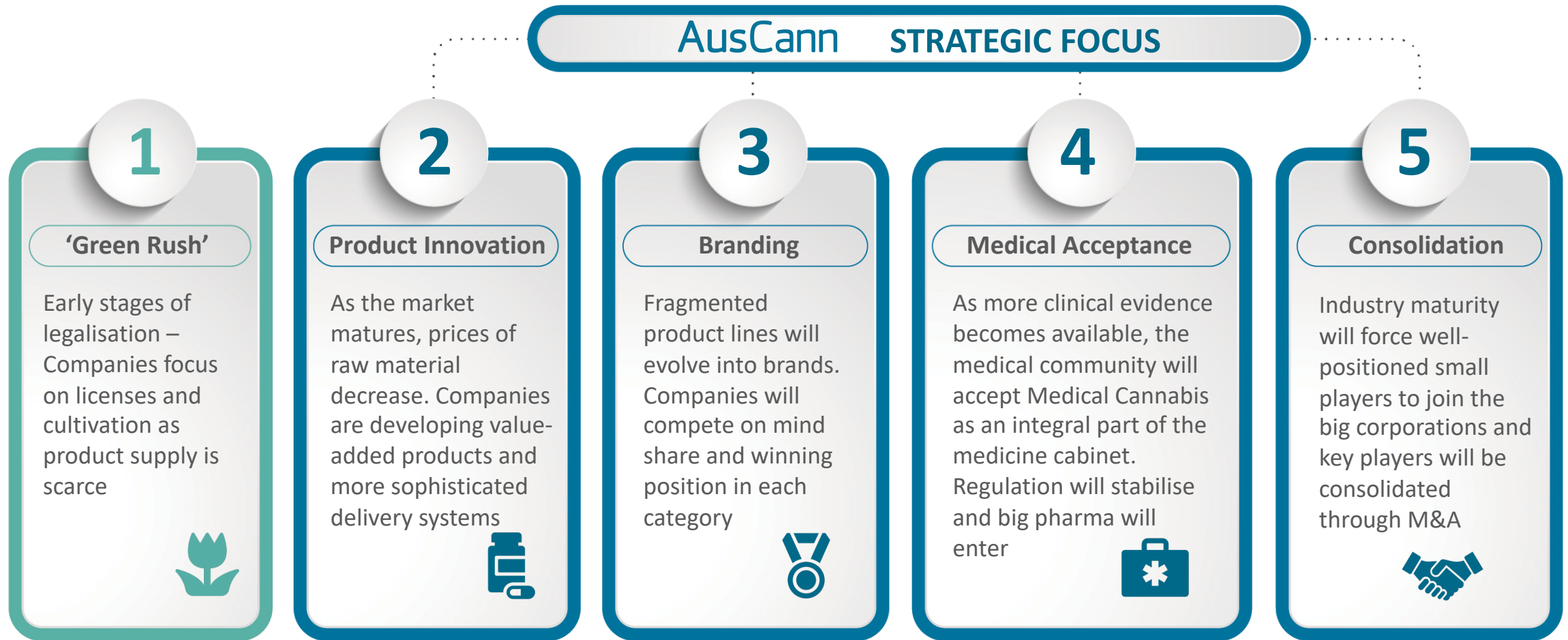
Medical Cannabis Market Value
Estimate 2019 - 2023



Recent global cannabis market developments

	Description	Strategic implications for AusCann
Vape crisis	<ul style="list-style-type: none"> Outbreak of lung injury and deaths associated with the use of vaping products including cannabis vape pens 	<ul style="list-style-type: none"> AusCann is not developing products for inhalation AusCann’s capsules present a safer mode of administration to vaping or smoking
Regulatory and compliance	<ul style="list-style-type: none"> Several compliance issues impact the whole industry 	<ul style="list-style-type: none"> AusCann strictly operates under the Therapeutic Goods Administration (TGA) and the Office of Drug Control (ODC) guidelines and licences
Oversupply	<ul style="list-style-type: none"> Recreational cannabis inventory is up due to not enough retail stores and oversupply vs. demand 	<ul style="list-style-type: none"> AusCann’s focus is on the medical side AusCann developed differentiated proprietary products
Cannabis prices are declining	<ul style="list-style-type: none"> Cannabis prices are declining as inventory piles up 	<ul style="list-style-type: none"> AusCann predicted commoditisation of cannabis raw material and made strategic choices accordingly
Earnings fell short of analysts expectations	<ul style="list-style-type: none"> North America public cannabis companies failed to meet investor expectations due to: low earnings for recreational sales, over capacity in cultivation, high inventories, high costs and negative bottom line 	<ul style="list-style-type: none"> AusCann must first deliver on its promise – to release capsules to clinical trials by end of 2019 AusCann to expedite road to market, rigorously manage costs, and continuously improve cost base to maximise shareholders returns

The Cannabis industry will evolve over time



Barriers to market access for cannabinoid-based medicines



Market access is challenged by lack of standardisation, medical acceptability and regulatory constraints

Overcoming market access barriers



- AusCann is focused on the key value drivers to address stakeholder unmet needs:
- Provide reliable, stable and standardised cannabinoid-based pharmaceutical products
 - Generate clinical evidence to support market access

Product standardisation and medical acceptance will drive value growth

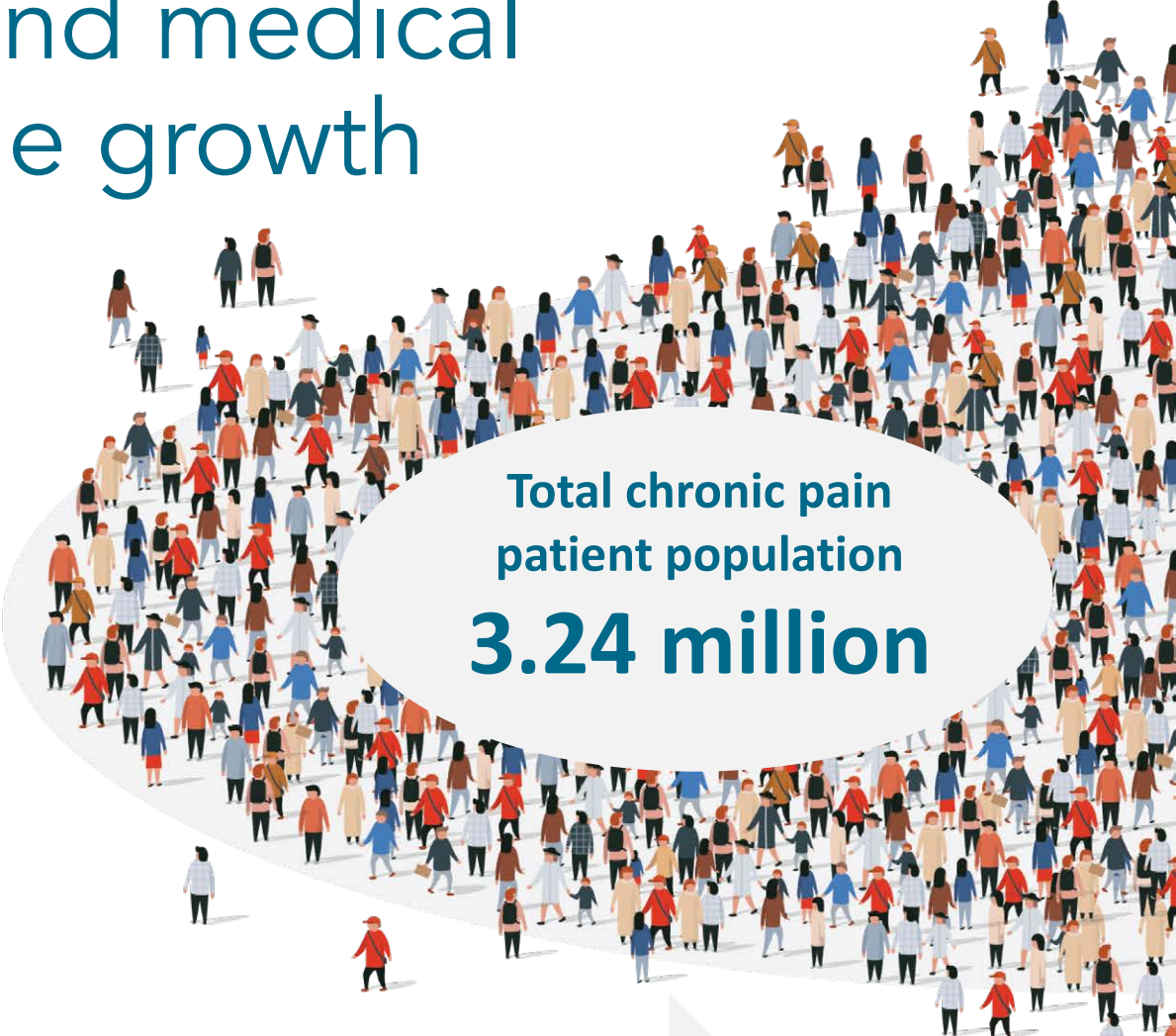
Chronic Pain example



Current Medical Cannabis market size less than 20,000 patients



Current market potential 250,000 patients



Total chronic pain patient population **3.24 million**

Product standardisation and medical acceptance

AusCann

AusCann Strategy

Our Objectives



- To **improve health outcomes** and **quality of life for patients**
- To establish a common place for cannabinoid-based pharmaceuticals in the patient’s medicine cabinet targeting a broad spectrum of indications backed with evidence-based claims
- To maximise returns for our shareholders

How will we achieve this?



By establishing strong relationships with healthcare professionals and providing them with:

- Reliable, stable and standardised cannabinoid-based pharmaceutical products
- Evidence-based clinical data to support comprehensive medical justification in physician’s future decision to prescribe AusCann’s products

Where will we play?



- Prescription driven markets, through Special Access Scheme while generating evidence to enable product registration
- Australia first with an initial focus on chronic pain and potential export internationally

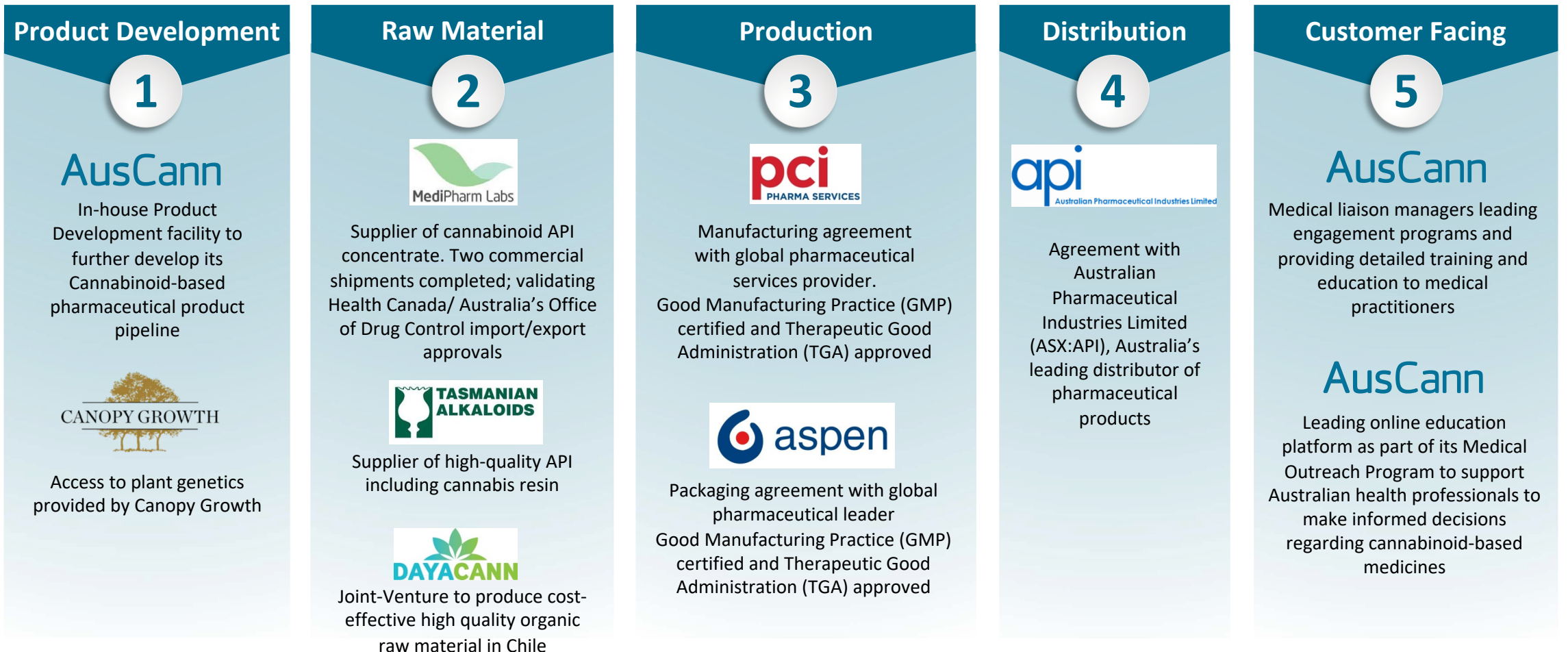
How will we win?



By focusing on the key market growth drivers:

- **Science:** Delivering the first proprietary cannabinoid-based reliable, stable and standardised hard-shell capsule and staying ahead of the curve by rapid innovation
- **Outcomes:** Continuously measuring outcomes linked to AusCann’s products and leveraging the data to optimise market access, new product offerings, registration, publications and business development

AusCann established capabilities and partnerships across the supply chain to deliver superior value



On track to deliver consistent and stable dosage proprietary capsules

AusCann addresses existing product stability dosage problems

- Unique proprietary final dose form capsule designed to address stability, consistency and dosing problems that exist with current oil based cannabinoid medicines on the market
- Oil based cannabinoid medicines that are currently in the market may be:
 - Difficult to administer for certain patient populations
 - Unstable (cannabinoids degrade over time)
 - Delivering unreliable dosage
- Clinicians express a preference for reliable dose-controlled capsules:
 - Easy to administer to patients
 - Enable controlled dose titrations to best manage chronic health conditions
 - Enable consistent monitoring of health outcomes









Led by management team with strong global pharmaceutical expertise

Management		
Ido Kanyon	Chief Executive Officer	More than 15 years' experience in the global pharmaceutical industry including product development and commercialisation across multiple technologies and therapeutic areas
Quentin Megson	Chief Financial Officer	Over 25 years' experience in the finance and operation management of ASX listed companies
Dr Melinda Thompson	Director of Regulatory Affairs and Research	Biochemist with over 10 years' experience in research and development management, with a focus on governance frameworks and operational processes
Dr Paul MacLeman	Chief Development Officer	Over 25 years' experience in the pharmaceutical and life sciences sector including MD of IDT Australia
Sheena Emslie	Chief Operating Officer	16 years in pharmaceutical manufacturing. 8 years in Quality Management under GMP, audited by TGA, FDA, WHO and MCC. 10 years with Aspen SVP/Aspen Pharma Pty Ltd
Phil Wykes	Infrastructure and Engineering	Prior Director of Infrastructure, IDT Australia Ltd. Over 20 years of providing engineering expertise to the pharma, food and agriculture sectors
Dr Musa Mavlianov	Product Development	Formulation specialist, extensive experience across the pharmaceutical sector including 10 years as Production Manager and Product Development for Swisse Wellness Pty Ltd
Darryn Bampton	Clinical and Regulatory	16 years' experience in the prescription medicine industry. Prior Director of Regulatory Affairs and Clinical Development for Progen Pharmaceuticals Ltd

Strategic Priorities

Timeline

	Finalisation of pre-clinical R&D: release of hard-shell capsules for clinical trials	Q4 2019
	Complete construction of product development site	Q4 2019
	Clinical study to inform healthcare professionals and drive medical acceptance of hard-shell capsules	Results by end H1 2020
	Hard-shell capsules commercially available for physicians to prescribe in Australia through SAS¹/AP² Scheme	H1 2020
	Generate real world outcome data and feedback from healthcare professionals linked to the hard-shell capsules	H1 2020 and forward
	Initiate development of new proprietary and differentiated cannabinoid-based pharmaceutical dosage configurations	H1 2020