

ASX ANNOUNCEMENT

19 APRIL 2018

LEADING GLOBAL CONSULTANCY APPOINTED TO PROVIDE DESIGN AND CONSTRUCTION SERVICES FOR CANN'S NEW PHASE 3 FACILITY

19 April 2018 – Cann Group Limited (ASX:CAN) is pleased to announce it has signed a Design and Consulting Services Agreement ("the Agreement") with Aurora Larssen Projects ("ALPS") for the provision of design and construction consulting services for Cann's Phase 3 facility.

Cann's proposed Phase 3 facility is a greenfield development, including GMP manufacturing, of approximately 23,500m² including a Cannabis flowering production area of approximately 14,000m². Site selection for the facility is imminent, with applications for the required planning permits and regulatory approvals now in train. It is expected that the facility will be operational in the first half of calendar 2019.

The Agreement provides design and procurement services, construction services including project management, and three years' post-construction services including commissioning, maintenance and crop support.

ALPS is a specialist greenhouse engineering consultancy providing technical consulting to the greenhouse industry worldwide. It specialises in high-tech, automated and environmentally controlled greenhouses including the building, expansion and renovation of sophisticated greenhouse facilities for a variety of different crops including cannabis. ALPS was acquired by Aurora Cannabis Inc in November 2017. Aurora Cannabis Inc is a strategic shareholder in Cann Group. The ALPS Agreement has been executed on arm's-length terms.

Cann CEO Peter Crock stated: "ALPS involvement is an exciting step forward in our Phase 3 development which will result in a facility that will contain cutting-edge automation features and advanced, energy efficient materials and technologies that will, in turn generate exceptional yields for Cann Group.

"We have funding in place for this major expansion step which allows us to scale up substantially and puts Cann in a position to compete on the global medicinal cannabis stage."

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About Cann Group

Cann Group is building a world-class business focused on breeding, cultivating and manufacturing medicinal cannabis for sale and use within Australia and internationally (once exports are permitted). The company has



established research and cultivation facilities in Melbourne and is striving to provide access to medicinal cannabis for Australian patients. Cann Group has executed collaboration agreements that will enable it to establish a leading position in plant genetics, breeding, extraction, analysis and production techniques required to facilitate the supply of medicinal cannabis for a range of diseases and medical conditions. It was issued with Australia's first medicinal cannabis research licence in February 2017, in addition to Australia's first medicinal cannabis cultivation licence in March 2017. Aurora Cannabis Inc — one of Canada's largest listed medicinal cannabis companies — is a cornerstone investor in Cann, with a 22.9% shareholding.