

# aphria inc.

October 25, 2019

To: Althea Group Holdings Limited (**Althea**)  
Company Secretary

ASX Limited  
Market Announcements Office  
Fax: +61 2 9347 0005

## **Aphria Inc. (Aphria) substantial holder notices**

We refer to the Form 603 *notice of initial substantial holder* given by Aphria on 20 September 2018 (**Prior Initial Notice**). Recently, it became known that there was an inadvertent error in **section 2** of the Prior Initial Notice whereby Aphria's "voting power" (as that term is defined in the Corporations Act) as a result of its direct interests in shares was not aggregated with the voting power of its other relevant interests (in section 3 of the Prior Initial Notice). We hereby attach an Amended Form 603 notice of initial substantial holder. This amended Form 603 replaces the Prior Initial Notice.

Additionally, on or about 9 August 2019, Althea completed a capital raising placement (**Placement**) under which Aphria's voting power was diluted. Aphria only recently became aware of the need to give a Form 604 *notice of change of interests of substantial holder* as a result of a dilution of its voting power. Further, on Tuesday 22 October 2019, Althea issued a further 210,000 ordinary shares which also affected Aphria's voting power. Finally, on 25 October 2019, Aphria disposed of 36,697,481 ordinary shares of Althea. Accordingly, we hereby attach a *Form 604 notice of change of interests of substantial holder*. The new form 604 also includes details of a number of small disposals of Althea shares by Aphria, the **small** disposals amount to approximately 0.77% of voting power in Althea.

Yours truly,



Carl A. Merton, CPA, CA, FCBV  
Chief Financial Officer  
(519) 564-6374

**Form 604**  
Corporations Act 2001  
Section 671B

**Notice of change of interests of substantial holder**

To Company Name/Scheme Althea Group Holdings Limited

ACN/ARSN ACN 626 966 943

**1. Details of substantial holder (1)**

Name Aphria Inc. and each of the entities listed in Annexure A

ACN/ARSN (if applicable) \_\_\_\_\_

There was a change in the interests of the substantial holder on 09/08/2019

The previous notice was given to the company on 20/09/2018<sup>1</sup>

The previous notice was dated 20/09/2018<sup>1</sup>

<sup>1</sup> The previous notice was amended (to correct an inadvertent error) on the same date as this notice and given to the company at the same time as this notice.

**2. Previous and present voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary	110,090,361	54.15%	12,250,000	5.25%

**3. Changes in relevant interests**

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
9 August 2019	Aphria Inc.	Dilution (-6.92%) due to the completion of an institutional placement announced by the company on 25 July 2019 and completed on 9 August 2019.	-	110,090,361 ordinary shares	110,090,361
12-Aug-19	Aphria Inc.	On-market sale of ordinary shares for currency.	\$264,777.80	ORD (291,595)	(291,595)
13-Aug-19			\$23,293.61	ORD (25,960)	(25,960)
14-Aug-19			\$300,915.63	ORD (334,539)	(334,539)
14-Oct-19			\$129,984.61	ORD (201,042)	(201,042)
15-Oct-19			\$31,523.53	ORD (49,652)	(49,652)
16-Oct-19			\$229,490.06	ORD (354,124)	(354,124)
17-Oct-19			\$43,835.47	ORD (68,785)	(68,785)
18-Oct-19			\$85,038.26	ORD (131,343)	(131,343)
21-Oct-19	\$210,867.73	ORD (345,479)	(345,479)		
22-Oct-19	Aphria Inc.	Dilution (-0.04%) due to the completion of the issue of shares in connection with the acquisition of Peak Processing Solutions announced on 25 July 2019.	-	110,090,361 ordinary shares	110,090,361
25-Oct-19	Aphria Inc.	Sale of ordinary shares for currency pursuant to block trade.	\$14,678,992.40	ORD (36,697,481)	(36,697,481)

25-Oct-19	Aphria Inc.	As a result of the off market sale above, Aphria Inc. no longer has a relevant interest in all of the securities in which company has a relevant interest in under section 608(3)(a) of the Corporations Act as Aphria Inc's direct voting power in company has decreased below 20%.	-	71,590,361 ordinary shares	71,590,361
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**4. Present relevant interests**

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
Aphria Inc.	Aphria Inc.	Aphria Inc.	Relevant interest under section 608(1)(a) of the Corporations Act 2001 (Cth) (Corporations Act) being the relevant interest arising as a result of being the registered holder of 12,250,000 ordinary shares.	12,250,000 ordinary shares	12,250,000

**5. Changes in association**

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
-	-

**6. Addresses**

The addresses of persons named in this form are as follows:


Name	Address
Aphria Inc	98 Talbot Street West, Leamington Ontario N8H 1N8 Canada
Refer to Annexure A	Refer to Annexure A

**Signature**

print name Carl Merton

capacity CFO

sign here



date 25/10/2019

**DIRECTIONS**

(1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.

(2) See the definition of "associate" in section 9 of the Corporations Act 2001.

- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
- (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

## Annexure A

This is the annexure of one page marked Annexure A mentioned in the Form 604 *Notice of change of interests of substantial holder* signed by me as CFO of Aphria Inc. and dated 25 October 2019.

Name	Address	Nature of association
Aphria (Arizona) Inc	4747 North 7 <sup>th</sup> Street, Suite 402, Phoenix, AZ, United States 85014	Wholly owned subsidiary of Aphria Inc.
Cannan Growers Inc.	6940 Salasnan Parkway, Ferndal, WA, United States 98248	Wholly owned subsidiary of Aphria Inc.
Nuuvera Inc.	245 Talbot Street West, Unit 103, Leamington, ON, Canada N8H 1N8	Wholly owned subsidiary of Aphria Inc.
Nuuvera Holdings Ltd	245 Talbot Street West, Unit 103, Leamington, ON, Canada N8H 1N8	Wholly owned subsidiary of Aphria Inc.
ARA – Avanti Rx Analytics Inc	135 Devon Road, Unit 11 Brampton, ON, Canada L6T 5A4	Wholly owned subsidiary of Aphria Inc.
Avalon Pharmaceuticals Inc	135 Devon Road, Unit 11 Brampton, ON, Canada L6T 5A4	Wholly owned subsidiary of Aphria Inc.
2589671 Ontario Inc	245 Talbot Street West, Unit 103, Leamington, ON, Canada N8H 1N8	Wholly owned subsidiary of Aphria Inc.
2589674 Ontario Inc	245 Talbot Street West, Unit 103, Leamington, ON, Canada N8H 1N8	Wholly owned subsidiary of Aphria Inc.
Nuuvera Israel Ltd	4 Weizmann St., Tel Aviv, Israel	Wholly owned subsidiary of Aphria Inc.
Nuuvera Deutschland GmbH	Wohlers Allee 54, Hamburg, Germany 22767	Wholly owned subsidiary of Aphria Inc.
FL-Group	Via Sargegna, 2 17047 – Vado Ligure (SV)	Wholly owned subsidiary of Aphria Inc.
Broken Coast Cannabis Ltd	3695 Dnnkwater Road, Duncan, Unit 106, BC, Canada V9L 0E9	Majority owned subsidiary of Aphria Inc.
Nuuvera Malta Ltd	ADC Buildings, Triq L-Esportatur, Imriehel, Birkirkara BKR 3000, Malta	Majority owned subsidiary of Aphria Inc.
ASG Pharma Ltd	56 Trc Melita Valletta, VLT 1122, Malta	Majority owned subsidiary of Aphria Inc.
1974568 Ontario Ltd	620 Country Road 14, Leamington, ON, Canada N0P 2J0	Majority owned subsidiary of Aphria Inc.
CannInvest Africa Ltd	5 Fish Eagle Park, Ou Paardevlei Road, Somerset West, 7130, South Africa	Majority owned subsidiary of Aphria Inc.

Signed.



Carl Merton  
CFO

**Form 603**  
Corporations Act 2001  
Section 671B

**Notice of initial substantial holder**

To Company Name/Scheme Althea Group Holdings Limited

ACN/ARSN ACN 626 966 943

**1. Details of substantial holder (1)**

Name Aphria Inc. and each of the entities listed in Annexure A.

ACN/ARSN (if applicable) \_\_\_\_\_

The holder became a substantial holder on 19/09/2018

**2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary	<del>71,590,361</del> <u>110,090,361</u>	<del>71,590,361</del> <u>110,090,361</u>	<del>35.21%</del> <u>54.15%<sup>1</sup></u>

<sup>1</sup> See table in section 3 below for details of voting power which includes the voting power attached to those shares that the substantial holder has a relevant interest in by virtue of the company's relevant interest in restricted securities

**3. Details of relevant interests**

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Aphria Inc.	Relevant interest under section 608(1)(a) of the Corporations Act 2001 (Cth) (Corporations Act) being the relevant interest arising as a result of being the registered holder of 50,750,000 ordinary shares.	50,750,000 ordinary shares
	Aphria Inc. also has a relevant interest in all of the securities in which Althea Group Holdings Limited has a relevant interest in under section 608(3)(a) of the Corporations Act as Aphria Inc's voting power in Althea Group Holdings Limited is greater than 20%.	71,590,361 ordinary shares <sup>2</sup>
	Althea Group Holdings Limited holds a relevant interest in 71,590,361 ordinary shares by having power over the disposal of ordinary shares that are subject to Restriction Agreements entered into by Althea Group Holdings in accordance with Rule 9.1 of the ASX Listing Rules.	
	Please refer to the Notice of initial substantial holder dated 20 September 2018 and lodged by Althea Group Holdings Limited with ASX on 21 September 2019 (AGH Substantial Holder Notice).	

<sup>2</sup> This number includes 12,250,000 ordinary shares of which Aphria Inc. is the registered holder of and are also included in total number of securities in first row of this table.

**4. Details of present registered holders**

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Aphria Inc.	Aphria Inc.	Aphria Inc.	50,750,000, ordinary shares
	Refer to Annexure A of the AGH Substantial Holder Notice	Refer to Annexure A of the AGH Substantial Holder Notice	71,590,361 ordinary shares

**5. Consideration**

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Aphria Inc.	9 August 2018	18,750,000 ordinary shares issued in consideration for \$1,800,000 cash and \$700,000 of medicinal cannabis product.		50,750,000 ordinary shares
	18 September 2018	15,000,000 ordinary shares issued in consideration for \$2,500,000 cash.		
	18 September 2018	17,000,000 ordinary shares issued for \$3,400,000 cash.		71,590,361 ordinary shares
	19 September 2018	N/A		

**6. Associates**

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Refer to Annexure A	Refer to Annexure A

**7. Addresses**

The addresses of persons named in this form are as follows:

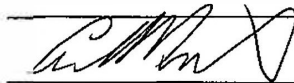
Name	Address
Aphria Inc.	103-245 Talbot Street West, Leamington Ontario N8H 1N8 Canada
Refer to Annexure A	Refer to Annexure A

**Signature**

print name Carl Merton

capacity CFO

sign here



date

~~20/09/2018~~  
25/10/2019

**DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
  - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and

(b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

(8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."

(9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.



## Annexure A

This is the annexure of one page marked Annexure A mentioned in the Form 603 Amended Notice of initial substantial holder signed by me as CFO of Aphria Inc. and dated ~~20 September 2018~~ 25 October 2019.

Name	Address	Nature of association
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Broken Coast Cannabis Ltd	3695 Drinkwater Road Duncan, Unit 106, BC, Canada V9L 0E9	Majority owned subsidiary of Aphna Inc.
Nuuvera Malta Ltd	ADC Buildings, Triq L-Esportaturi, Imnehal, Birkirkara BKR 3000, Malta	Majority owned subsidiary of Aphna Inc.
ASG Pharma Ltd	56 Triq Melita Valletta, VLT 1122, Malta	Majority owned subsidiary of Aphna Inc.
1974568 Ontario Ltd	620 Country Road 14, Leamington, ON, Canada N0P 2J0	Majority owned subsidiary of Aphna Inc.
CannInvest Africa Ltd	5 Fish Eagle Park, Ou Paardevier Road, Somerset West, 7130, South Africa	Majority owned subsidiary of Aphna Inc.

Signed.   
 Carl Merton  
 CFO