



ASX ANNOUNCEMENT

17 February 2021

Federal Court order granted

17 February 2021: Further to the request for a trading halt made to the ASX yesterday, Cann Group Limited ('Cann' or the 'Company') (ASX:CAN) advises that yesterday an application to the Victorian Registry of the Federal Court of Australia was heard to rectify the non-issue of a cleansing notice for the issue of 306,846 ordinary shares in the Company on 28 January 2021 (Shares).

The Shares were issued to one shareholder, following notification from that shareholder that it wished to exercise options (such options having been granted as a result of the conversion of convertible notes issued to that shareholder on 7 February 2020). Through an inadvertent administrative oversight, a cleansing notice under section 708A(5)(e) of the *Corporations Act 2001* (Cth) (Act) was not given to ASX within 5 business days after the date of issue of the Shares. This issue was identified by the Company and was reported to both the ASX and the Australian Securities and Investments Commission (ASIC).

At the hearing yesterday afternoon, the Court made orders sought by the Company, namely:

1. An order that pursuant to s1322(4)(a) of the *Corporations Act 2001* any offer for sale, or sale, of any of the tranche of 306,846 ordinary shares in the applicant that were issued on 28 January 2021 (**Shares**) occurring in the period after their issue, is not invalid by reason of any contravention of s707(3) or 727(1) of the *Corporations Act 2001*.
2. An order that pursuant to s1322(4)(c) of the *Corporations Act 2001*, any person offering to sell or selling Shares is relieved from any civil liability arising out of such contravention.
3. An order that pursuant to section 1322(4)(d) of the *Corporations Act 2001*, in respect of the Shares, the period of five business days referred to in section 708A(6)(a) of the *Corporations Act 2001* be extended to 18 February 2021.

A copy of the Court Order accompanies this announcement. A sealed copy of the Court Order will be served on ASIC as soon as reasonably practicable. The Company will also forward a copy of the Court Order to the shareholder that received the Shares.

The Company will shortly release to the market a replacement Appendix 2A in relation to the Shares, along with the requisite cleansing notice.



Authorised for release by the Chairman of the Board of Directors, Cann Group Limited.

For further information please contact:

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About Cann Group

Cann Group Limited (ABN 25 603 949 739) is building a world-class business focused on breeding, cultivating, manufacturing and supplying medicinal cannabis for sale and use within Australia and for approved overseas export markets. The company has established research and cultivation facilities in Melbourne and is developing a state-of-the-art cultivation facility near Mildura, Victoria. Cann Group has executed collaboration agreements that have enabled 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. The Company is commercialising a range of imported and locally sourced and manufactured medicinal cannabis products. **Learn more about Cann Group at www.cann grouplimited.com**



Federal Court of Australia
District Registry: Victoria
Division: General

No: VID68/2021

CANN GROUP LIMITED (ACN 603 949 739)
Plaintiff

ORDER

JUDGE: JUSTICE DAVIES

DATE OF ORDER: 16 February 2021

WHERE MADE: Melbourne

THE COURT ORDERS THAT:

1. Pursuant to s 1322(4)(a) of the *Corporations Act 2001* (Cth) (**Corporations Act**) any offer for sale, or sale, of any of the tranche of 306,846 ordinary shares in the applicant that were issued on 28 January 2021 (**Shares**) occurring in the period after their issue, is not invalid by reason of any contravention of ss 707(3) or 727(1) of the *Corporations Act 2001*.
2. Pursuant to s 1322(4)(c) of the Corporations Act, any person offering to sell or selling the Shares is relieved from any civil liability arising out of such contravention.
3. Pursuant to s 1322(4)(d) of the Corporations Act, in respect of the Shares, the period of five business days referred to in s 708A(6)(a) of the Corporations Act be extended to 18 February 2021.
4. As soon as reasonably practicable, the applicant must:
 - (a) send a copy of these orders to Repertoire Pty Ltd, being the person to whom the Shares were issued; and
 - (b) publish an announcement to the Australian Stock Exchange (**ASX**) in which a copy of these orders is included.
5. A sealed copy of these orders must be served on the Australian Securities and Investments Commission (**ASIC**) as soon as reasonably practicable and upon service of these orders on ASIC, ASIC must include these orders on its database.



6. For a period of 28 days from the date of publication of these orders on the ASX website, any person who claims to have suffered substantial injustice or who claims that they are likely to suffer substantial injustice by reason of the contraventions referred to above or the making of these orders may apply within that period to vary or to discharge the orders.
7. No order as to costs.

Date that entry is stamped: 17 February 2021.

Sia Lagos
Registrar