

ASX ANNOUNCEMENT**1 April 2022****Satipharm Advanced CBD products get the green light
from UK Food Standards Agency**

1 April 2022 – Cann Group Limited (ASX: CAN) (**Cann** or the **Company**) welcomes the decision of the UK Food Standards Agency (**FSA**) today to include the Satipharm range of Advanced CBD capsules in the list of approved CBD products permitted to be sold in the UK. This presents a major opportunity for Cann to substantially grow sales of Satipharm within the UK market as key retailers have been awaiting publication of this list, having been unable to range these products since 2019.

Satipharm has been supplying its range of CBD capsules in the UK market since 2016. In January 2019, the novel food regulations were applied to CBD products, requiring all suppliers of CBD food supplements to submit applications for Novel Food Authorisation. Dossiers for the Satipharm Advanced CBD product range were submitted to the FSA in early 2020.

Following today's publication of this list, the UK FSA has provided clarity as to which CBD products may continue to be sold in the UK, pending final consideration and authorisation. The UK FSA will now proceed with a full review of the dossiers. The Satipharm range can be stocked and sold by retailers whilst the final authorisation is pending.

The publication of this list marks a milestone for the UK CBD industry and removes the uncertainty within the supply chain around the legitimate sale of CBD products. The UK FSA has indicated that products which do not appear on the list or are marked as 'Removed' must be withdrawn from sale in the UK.

Satipharm is one of the leaders in the CBD category in the UK, with its unique, patented Advanced CBD capsules that are clinically proven to deliver approximately 3.5 times higher total bioavailability (proportion of the substance entering and affecting the body) compared to standard CBD oil¹. The capsules ensure an accurate, consistent dose of CBD every time, which provides advantages over traditional oil-based formulations that are broken down in the stomach, as well as being impacted by first-pass metabolism.

Cann CEO, Peter Crock said "Over 800 product dossiers were submitted by various CBD manufacturers to the UK FSA for review. Of these, the FSA has rejected over 600 dossiers which did not satisfy the validation criteria. The inclusion of the Satipharm products in the list demonstrates Cann's real commitment to quality and consumer safety. We see this as a great opportunity to accelerate our sales of the Satipharm range in the UK and we look forward to keeping our shareholders updated as our distribution and sales grow in the coming months."

¹ Atsmon J, Heffetz D, Deutsch L, Deutsch F, Sacks H. *Single-Dose Pharmacokinetics of Oral Cannabidiol Following Administration of PTL101: A New Formulation Based on Gelatin Matrix Pellets Technology*. Clin Pharmacol Drug Dev. 2018 Sep;7(7):751-758. doi: 10.1002/cpdd.408. Epub 2017 Nov 10. PMID: 29125702.

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

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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. Cann also owns Satipharm, a Europe-based business exclusively licensed to manufacture, develop and market a proprietary delivery system for cannabinoids. Cann has established research, cultivation and GMP manufacturing facilities in Melbourne and is finalising the construction of a state-of-the-art cultivation and manufacturing facility near Mildura, Victoria. Cann Group has established 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 at: www.canngrouplimited.com | www.satipharm.com