

ASX ANNOUNCEMENT

5 July 2023 Investor Presentation

5 July 2023 – As announced on 15 June 2023, Cann Group Limited (ASX:CAN) (**Cann** or the **Company**) will be presenting an investor update webinar and Q&A, hosted by CEO, Peter Koetsier.

The webinar will be held today, Wednesday, 5 July 2023 at 11:00am (AEST).

Anyone wishing to attend the webinar is invited to register at the following link:

https://us02web.zoom.us/webinar/register/WN SXWVFXFhTnqaT0LE2eCF0w

After registering, you will receive a confirmation email containing information about joining the webinar.

Shareholders are encouraged to participate in this webinar by submitting questions in advance to:

contact@canngrouplimited.com

A recording of the webinar will be available on the Company's website shortly after the live session.

A copy of the Company's presentation for today's webinar is attached.

Authorised for release by Deborah Ambrosini, Company Secretary of Cann Group Limited.

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About Cann Group

Cann Group Limited (ABN 25 603 949 739) is enhancing patients' lives by developing, producing, and supplying innovative cannabis medicines. The Company has research facilities and corporate headquarters in Melbourne and operates a state-of-the-art large-scale cultivation and GMP manufacturing facility near Mildura, Victoria. Cann Group supplies a range of dried flower and oil products, as well as active pharmaceutical ingredients and extracts, to customers in Australia and around the world. Cann Group also owns Satipharm and its patent-protected capsule technology.

Learn more at: www.canngrouplimited.com | www.satipharm.com



Sharing plans to accelerate production and reach profitability

Medicinal cannabis products to improve quality of life

WEBINAR PRESENTATION

5 July 2023



Disclaimer | important notice

This presentation (Presentation) has been prepared by Cann Group Limited (ABN 25 603 949 739) (Cann).

Summary information

This Presentation contains summary information about Cann and its activities which is current as at the date of this Presentation provided in this Presentation pertaining to Cann and its business assets, strategy and operations is for general informational purposes only and is not an invitation nor offer of securities for subscription, purchase or sale in any jurisdiction. This Presentation should not be considered to be an offer or invitation or a solicitation of an offer to acquire securities or any other financial products and neither this Presentation nor any of its contents will form the basis of any contract or commitment.

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This Presentation contains certain 'forward looking statements', including but not limited to projections, guidance on future revenues and other potential synergies and estimates about the future performance of Cann. Forward looking statements can generally be identified by the use of forward-looking words such as, 'expect', 'anticipate', 'likely', 'intend', 'should', 'could', 'may', 'predict', 'plan', 'propose', 'will', 'believe', 'forecast', 'estimate', 'target' 'outlook', 'guidance', 'potential' and other similar expressions within the meaning of securities laws of applicable jurisdictions. The forward-looking statements contained in this Presentation are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Cann, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including Cann). There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. The forward-looking statements are based on information (including the ASX Listing Rules), Cann undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and quidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

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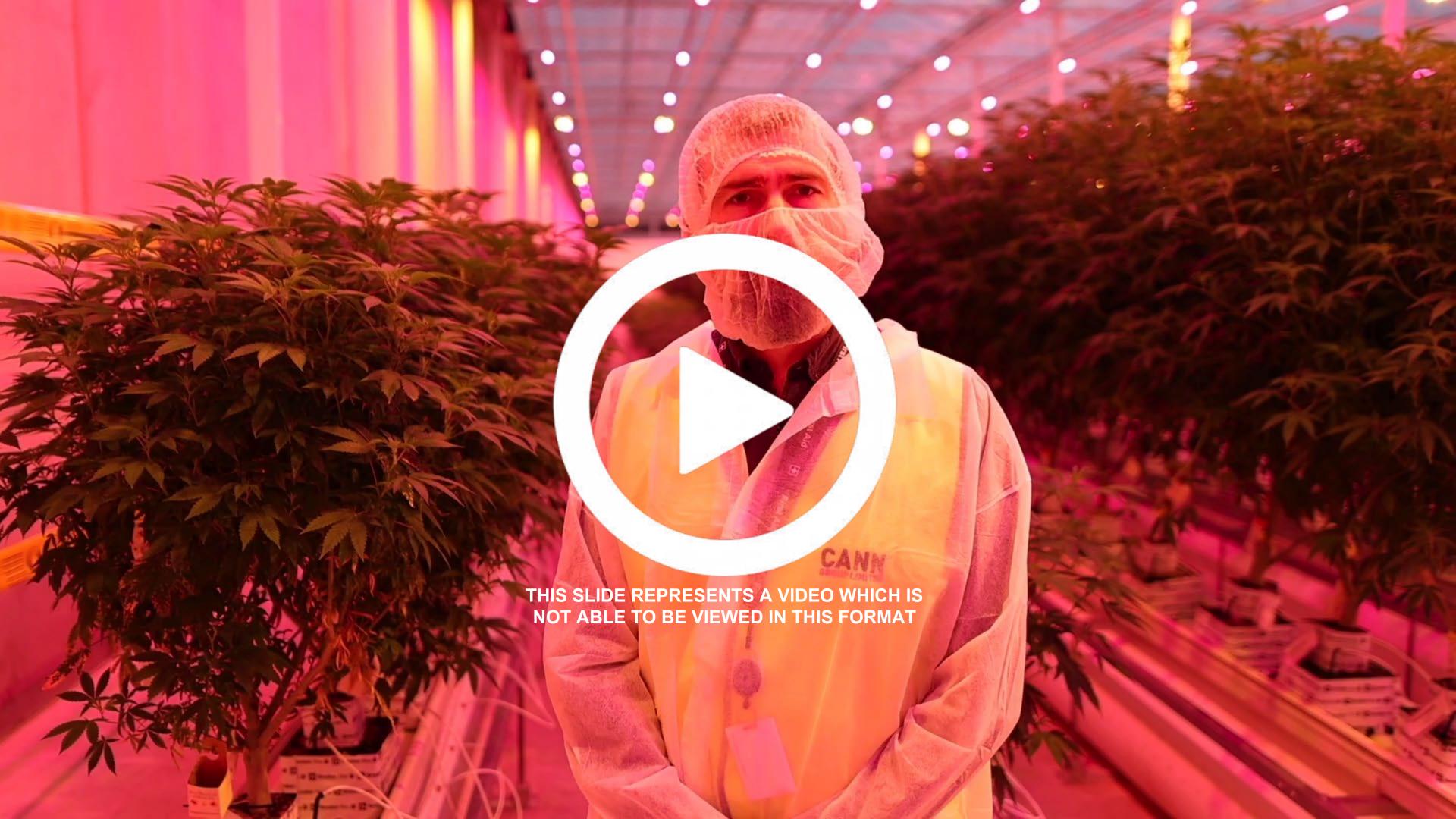
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Sharing plans to accelerate production and reach profitability

Medicinal cannabis products to improve quality of life

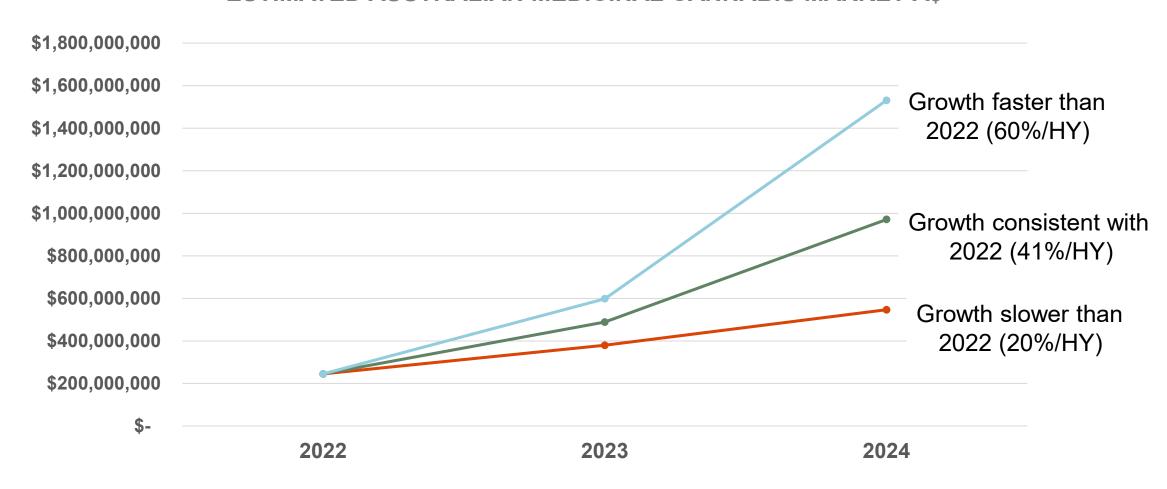
WEBINAR PRESENTATION

5 July 2023



Australian medicinal cannabis market is growing rapidly reaching an estimated \$245 million in 2022

ESTIMATED AUSTRALIAN MEDICINAL CANNABIS MARKET A\$



Data presented by Penington Institute May 2023 following their FOI request to TGA https://www.penington.org.au/cannabis/cannabis-in-australia/https://youtu.be/3FtzL4QerCM

Note: This represents best available data however, the nature of data collection for this market introduces the possibility of error. 2022 assumes all company reported volumes to TGA are accurate.

Current and Future forecast sales numbers are based on estimated current prices and do not assume price changes

Legislative change could see acceleration Victoria's major parties back overhaul of drug-driving laws for medicinal cannabis users The government and opposition are backing Legalise Cannabis effort to change 'unfair' road safety laws Get our morning and afternoon news emails, free app or daily news podcast

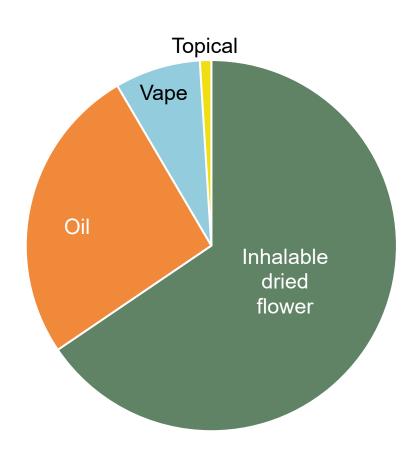
The Guardian Australia. March 2023

Victoria's drug-driving laws are set to be overhauled for medicinal cannabis



Quality local supply driven by increasing demand, lack of consistent quality and increased import regulations

Users demand Quality when inhaling 2/3 of all units sold are for inhalable flower



Data presented by Penington Institute May 2023 following their FOI request to TGA https://www.penington.org.au/cannabis/cannabis-in-australia/https://youtu.be/3FtzL4QerCM

Only ~20% of brands in Australia are locally grown



https://honahlee.com.au/

Amendments in July will make overseas supply more heavily regulated



https://www.tga.gov.au/resources/resource/guidance/conforming-therapeutic-goods-standard-medicinal-cannabis-tgo-93-order-2017

Note: This represents best available data however, the nature of data collection for this market introduces the possibility of error. 2022 assumes all company reported volumes to TGA are accurate.



Who we are

Vision to be Australia's largest & most innovative medicinal cannabis cultivator and supplier to a rapidly growing market













State-of-the-art facility, Mildura, Victoria

 Designed for reliable, consistent quality supply; ready to scale Experienced cultivation & production team

- Novel and proprietary genetics
- Years of cropping experience

New leadership in place

- New CEO with Commercial biopharma background
- New Business
 Development Head

Strong & building customer base

- Supplier to established brands in Australia
- Multiple revenue streams

Fully licensed and TGA approved

- Fully compliant with
 TGO93 & GMP
- Onsite laboratory and manufacturing

Heritage and local R&D leadership

- Australia's first Medicinal Cannabis Cultivation Licence
- R&D partnerships with key institutions



Strong and experienced management executing now



Mr Peter Koetsier **Chief Executive Officer**

General management, marketing, executive and commercial leadership





Bristol Myers Squibb



Ms Deborah Ambrosini **Chief Financial Officer** & Company Secretary

Cashflow management, executive and financial leadership













Ms Liz Pepper General Manager – Operations

General Management, operational excellence, project management, product development

RHINOMED







Mr Russell McGifford **General Manager - Mildura**

Manufacturing operations, chemical processing, biological pharmaceutical products









Head of Business Development

Mr Sam Chester

Senior business development, process improvement, CRM, general management, stakeholder management













Note: all companies listed are former employers



Mildura facility secures strong competitive advantage

Cann Group's Mildura facility is the most technologically advanced indoor, full GMP medicinal cannabis cultivation & manufacturing facility in the southern hemisphere



A microclimatecontrolled glasshouse with manufacturing and warehouse space



Automated plant movement conveyors and plant propagation systems



In-house analytical chemistry and microbiology laboratories



Satipharm® manufacturing and encapsulation capability



GMP licence for manufacturing and packing



From Capex to Opex

Shifting from capital intensity to operational with production to reach 12.5 tonnes on an annualised basis and reach EBITDA profitability

COMPLETED START UP AND BUILD



Agri & engineering innovation

- · Establish core build of Mildura facility
- · Ensure agricultural standards met
- Validate GMP & acquire licences
- Optimise processes and production
- Confirm crop potential & cultivars
- · Hire team for future
- First crops
- Opportunistic sales

NOW SCALING AND SELLING

Current annual Capex <\$5m



Commercial leadership

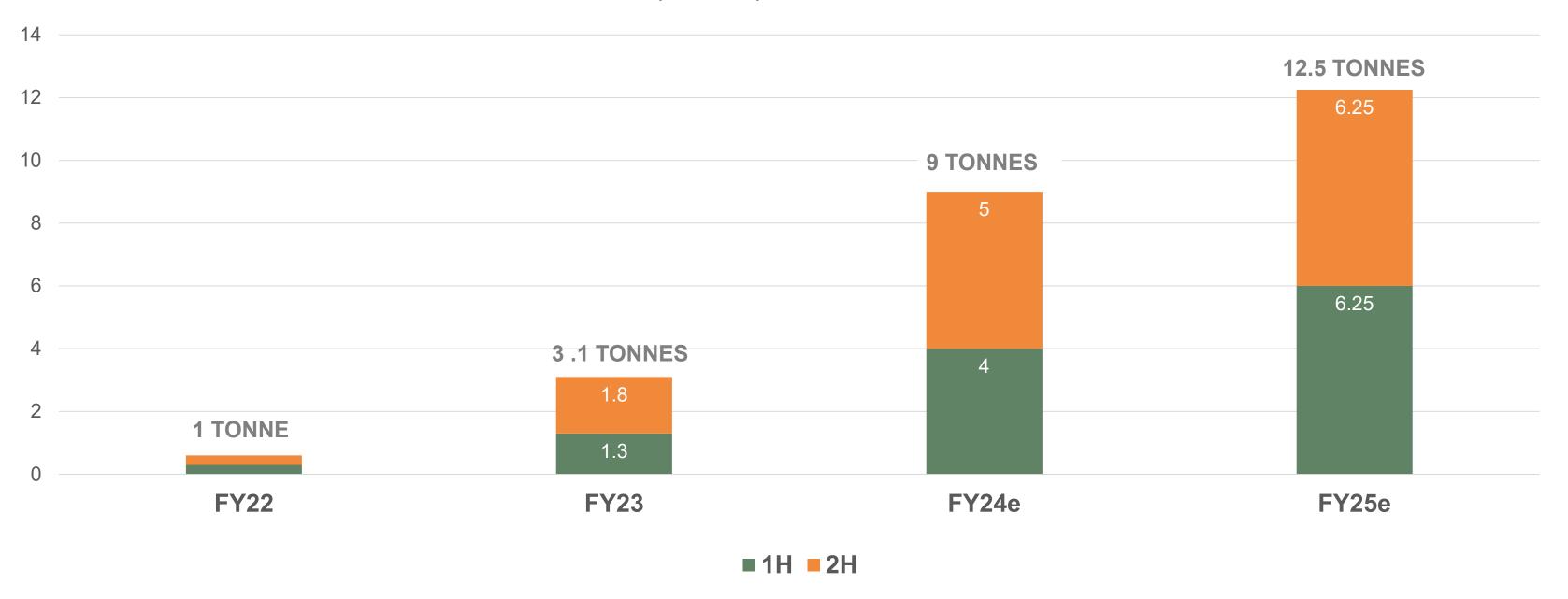
- Operationalise Mildura facility
- Commercial CEO with pharma experience
- Staff up commercial team
- Long-term partnership deals
- New customers
- Market-leading R&D
- Large-scale quality crops more often
- Export opportunities



Cann is scaling production

Expansion to 12.5t is expected to deliver scale benefits, substantial unit cost savings, improved supply chain and deliver EBITDA profitability

PLANNED STAGE 1 DRY BIOMASS (TONNES) PRODUCED FOR SALE BY FINANCIAL YEAR*



^{*}Dry biomass produced typically 12 weeks after initial planting. Current plans subject to increase or decrease Note: These figures represent production for sale, consistent with Narcotic Drugs Act 1967 (Cth.) and other relevant legislation



Scaled production to deliver efficiency and margin benefits and drive operating leverage

Scaled production to drive operating leverage

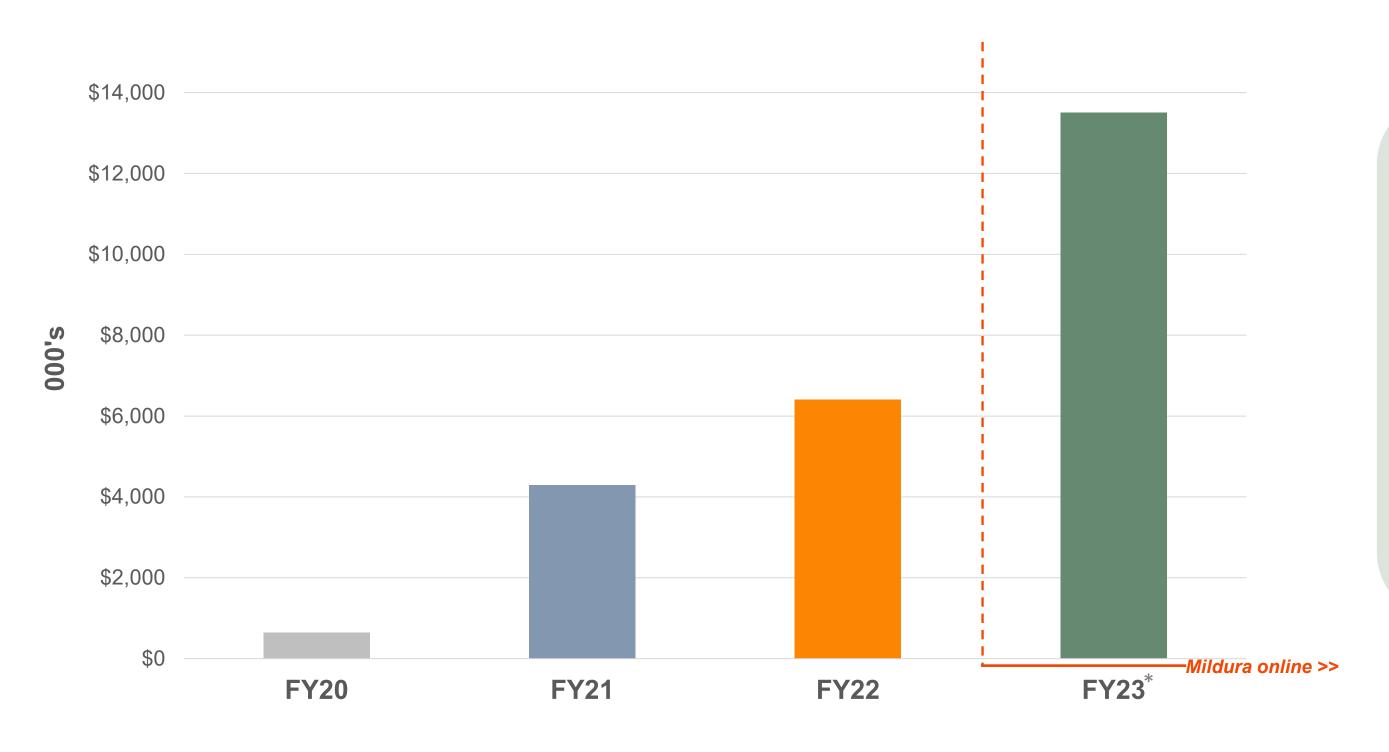
- A significant proportion of overheads are fixed
 - ✓ Security and IT
 - ✓ Base electricity loads
 - ✓ Laboratories
 - ✓ Administration and regulatory

Automation in production to drive efficiencies

Enhanced automation for GMP manufacturing facilities



Strong revenue momentum



- Dried flower sales
 have increased
 approximately 500%
 in the FY2023
 financial year
- Unaudited operating revenue expected to be approximately \$13.5 million, up 111% or 2.1 times FY2022 revenue

*Note - FY23 revenue shown above represents unaudited results to 30 June 2023 - Before accounting for services revenue



Short and long-term opportunities for revenue growth

Drivers of revenue







Increase inhaled flower yield



Increase customer number and penetration



Further development of Satipharm® platform

Satipharm® CBD



GMP contract packaging



Future export opportunities, including Satipharm®

Enhanced range to address current and future patient segments

Current range

Grower's Range® • Lower price • Inhalable quality • Quality Range • Quality Range • Quality flower & oils • White label & Bulk • Botanitech® • Premium flower & Oils • botonitech

Future range

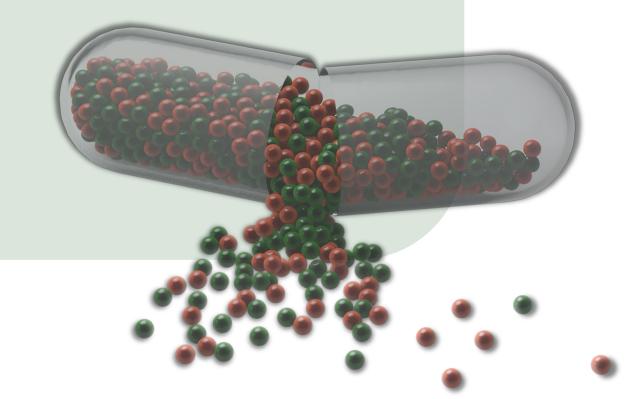
- Satipharm® with THC
- Innovative Range (additives, blends)
- New forms
- Customer exclusives



Satipharm® platform provides significant incremental potential

Registerable, differentiated & patent protected medicinal cannabis product

- Pharmaceutical presentation
- Active substances embedded in microsphere technology
- Higher Bioavailability¹
- Opportunity to build pharmaceutical brand
- Potential for extensive clinical trial programme
- CBD currently available in EU & Australia
- CBD & THC forms under development for global



1. When compared with Sativex.

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.



Investment Case: Key messages

- 1. First mover and competitive advantage with state of the art, fully licensed facility able to scale quality supply
- 2. Substantial unmet demand for reliable, locally produced quality product
- Executing strategy with business shifting to operational expenditure from capital expenditure annual capex down ~80%
- 4. Additional capital enables Cann to accelerate scale-up, targeting current capacity by end of FY25
- 5. Scale secures efficiency and margin benefits operating leverage
- 6. Reaching production capacity (12.5t pa) at Mildura is expected to achieve EBITDA profitability
- 7. Strong revenue growth momentum with 2H23 up 32% on 1H23 and FY23 up 111% on FY22
- 8. Range of **current and pipeline products** addressing different market segments, including proprietary Satipharm platform
- 9. New management team with strong commercial credentials and a focussed growth strategy to execute and generate returns for shareholders





Equity raising



Offer summary

Offer structure and size	Cann Group is conducting a one (1) for four (4) non-renounceable rights issue with a free attaching option exercisable at \$0.22 per share for every 2 shares purchased ("Offer") to raise up to \$11.7m before associated costs.
	Approximately 97 million New Shares and 48.5 million New Options will be issued under the Offer.
Offer price	Under the Offer new shares will be issued at \$0.12 (12 cents) per share representing a 14% discount to the last closing price a 20% discount to the 5 day VWAP and a 27% discount to the 30 day VWAP of Cann Shares as traded on ASX on 14 June 2023.
Rights Issue	Open to existing shareholders with a registered address in Australia or New Zealand at 7:00pm Tuesday 20 June 2023.
	Shareholders who fully subscribe for their entitlement under the Offer may take up additional shares under the Short Fall Facility.
	The Offer will open Friday 23 June 2023 and close Tuesday 18 July 2023 unless varied by the Directors.
	The Offer is not underwritten.
	Upon invitation from the Company or the Lead Manager other investors may apply for Short Fall Shares.
Ranking	New Shares will be issued on a fully paid basis and will rank equally in all respects with Existing Shares from the date of issue.
	New Options will be exercisable at \$0.22 with an exercise period of 18 months after their date of issue. New Options will not be quoted on the Australian Stock Exchange.
Lead manager	PAC Partners Securities Pty Ltd



Offer timetable

Date	Event
Thursday, 15 June 2023	Entitlement offer is announced
Monday, 19 June 2023	Ex date
Tuesday, 20 June 2023 (7:00pm AEST)	Record date
Friday, 23 June 2023	Prospectus (and personalised entitlement form) dispatched to Eligible Shareholders and Entitlement Offer opens.
Tuesday, 18 July 2023 (5:00pm AEST)	Entitlement offer closes
Wednesday, 19 July 2023	New Shares under the Offer quoted on a deferred settlement basis
Friday, 21 July 2023	Announcement of results of entitlement offer
Tuesday, 25 July 2023	Settlement and issue of New Shares and New Options issued under the Entitlement Offer.
Wednesday, 26 July 2023	Commencement of trading of New Shares and dispatch of holding statements in respect of New Shares and New Options.

The above timetable is indicative only (except where historical) and subject to change.



Use of funds

Use of funds	AUD millions
Enhanced automation for GMP manufacturing facilities	3.5
Accelerated staffing levels	2.8
Laboratory and Quality Control enhancements	1.3
Environmental feasibility projects including solar and waste	0.3
Research and Development – THC containing Capsules	2.3
Costs of the Offer	0.4
Working capital	1.1
Total use of funds	11.7

Please refer to Prospectus for further details





Contact

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Cann Group Limited Quality, Reliability, Innovation