



Announcement Summary

Entity name

AUSCANN GROUP HOLDINGS LTD

Announcement Type

New announcement

Date of this announcement

Wednesday March 17, 2021

The Proposed issue is:

A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
n/a	Unquoted options exercisable at \$0.1538 each on or before 24 March 2022.	9,425,000
n/a	Unquoted options exercisable at \$0.1538 each on or before 9 November 2022.	325,000
n/a	Unquoted options exercisable at \$0.1538 each on or before 31 December 2024.	650,000
AC8	ORDINARY FULLY PAID	123,499,753

Proposed +issue date

Thursday March 18, 2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

AUSCANN GROUP HOLDINGS LTD

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ACN

Registration Number

008095207

1.3 ASX issuer code

AC8

1.4 The announcement is

New announcement

1.5 Date of this announcement

Wednesday March 17, 2021

1.6 The Proposed issue is:

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

 Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
Court approval	Wednesday March 10, 2021	<input checked="" type="checkbox"/> Actual	Yes

Comments

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Monday March 8, 2021	<input checked="" type="checkbox"/> Actual	Yes

Comments

The Scheme of Arrangement was approved by CannPal Animal Therapeutics Limited shareholders on 8 March 2021.

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

 New class

Will the proposed issue of this +security include an offer of attaching +securities?

 No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)



Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?
 No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?
 No

ASX +security code

New class-code to be confirmed

+Security description

Unquoted options exercisable at \$0.1538 each on or before 24 March 2022.

+Security type

Options

Number of +securities proposed to be issued

9,425,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

The cancellation of 7,250,000 unquoted CannPal options exercisable at \$0.20 each on or before 24 March 2022.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.1538

Expiry date

Thursday March 24, 2022

Details of the type of +security that will be issued if the option is exercised

AC8 : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

9,425,000

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Refer CP1/AC8 Scheme of Arrangement Booklet - https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02337490-6A1018704?access_token=83ff96335c2d45a094df02a206a39ff4



Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
 New class

Will the proposed issue of this +security include an offer of attaching +securities?
 No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?
 No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?
 No

ASX +security code

New class-code to be confirmed

+Security description

Unquoted options exercisable at \$0.1538 each on or before 9 November 2022.

+Security type

Options

Number of +securities proposed to be issued

325,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

The cancellation of 250,000 unquoted CannPal options exercisable at \$0.20 each on or before 9 November 2022.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.1538

Expiry date

Wednesday November 9, 2022



Details of the type of +security that will be issued if the option is exercised

AC8 : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

325,000

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Refer CP1/AC8 Scheme of Arrangement Booklet - https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02337490-6A1018704?access_token=83ff96335c2d45a094df02a206a39ff4

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

New class

Will the proposed issue of this +security include an offer of attaching +securities?

No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +security code

New class-code to be confirmed

+Security description

Unquoted options exercisable at \$0.1538 each on or before 31 December 2024.

+Security type

Options

Number of +securities proposed to be issued

650,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

The cancellation of 500,000 unquoted CannPal options exercisable at \$0.20 each on or before 31 December 2024.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities



Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.1538

Expiry date

Tuesday December 31, 2024

Details of the type of +security that will be issued if the option is exercised

AC8 : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

650,000

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Refer CP1/AC8 Scheme of Arrangement Booklet - https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1_0/file/2924-02337490-6A1018704?access_token=83ff96335c2d45a094df02a206a39ff4

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

No

Details of +securities proposed to be issued

ASX +security code and description

AC8 : ORDINARY FULLY PAID

Number of +securities proposed to be issued

123,499,753

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

All of the fully paid ordinary shares in CannPal Animal Therapeutics Limited (CP1) as at the record date of the scheme of arrangement, 15 March 2021, on the basis of 1.3 new AusCann Group Holdings Limited (AC8) fully paid ordinary shares for every 1 CP1 share held.



Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Part 7C - Timetable

7C.1 Proposed +issue date

Thursday March 18, 2021

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

No

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

No

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

Yes

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

No

7E.2 Is the proposed issue to be underwritten?

No



7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

For details of fees in relation to the CP1/AC8 Scheme of Arrangement , please refer to the Scheme of Arrangement Booklet lodged by CP1 on ASX on 3 February 2021.

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Scheme of Arrangement for AusCann Group Holdings Limited to acquire 100% of the issued capital of CannPal Animal Therapeutics Limited.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

7F.2 Any other information the entity wishes to provide about the proposed issue