

18 March 2021 | CannPal Animal Therapeutics Limited | ASX: CP1 ASX ANNOUNCEMENT

Implementation of Scheme of Arrangement

<u>CannPal Animal Therapeutics Limited (ASX: CP1)</u> ("**CannPal**" or "**the Company**") is pleased to announce that the scheme of arrangement between CannPal and its shareholders ("**Scheme**") in relation to the proposed acquisition of all the shares in CannPal by AusCann Group Holdings Ltd ("**AusCann**") was implemented today.

Implementation of the Scheme follows approval by shareholders on 8 March 2021 and approval of the Scheme by the Supreme Court of Western Australia on 10 March 2021.

AusCann Share Issue

Eligible former CannPal shareholders have been issued 1.3 fully paid ordinary shares in AusCann for every CannPal share they held as at the Scheme record date being 7pm (AEDT) on 15 March 2021. Under the Scheme, AusCann has issued a total of 123,499,753 new ordinary shares in AusCann to former CannPal shareholders as consideration for the transfer of their CannPal shares to AusCann. Eligible former CannPal shareholders will be sent holding statements recording the number of new AusCann shares issued to the holder under the Scheme.

In addition, the AusCann shares that would have otherwise been issued to "Ineligible Foreign Shareholders" (as defined in the Scheme booklet released to the market on 3 February 2021 ("**Scheme Booklet**")) have today been issued to a nominee who has been appointed to sell those shares, with the net proceeds of that sale to be distributed to those Ineligible Foreign Shareholders in accordance with the process set out in the Scheme Booklet.

Removal from the Official List

CannPal will apply to be removed from the Official List of the ASX and for quotation of its shares to be terminated, which application is expected to take effect from close of trading today.

The release of this announcement was authorised by the Board of Directors of CannPal.

ENDS

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