

# ASX ANNOUNCEMENT

## ECS Botanics Holdings Ltd



24<sup>th</sup> October 2022

### Sale of Tasmanian Assets

- **ECS executes binding contract for sale of Tasmanian business and assets**
- **Sale price is \$3.0 million**
- **Net proceeds to fund continued expansion at its Victorian medicinal cannabis facility**

**ECS Botanics Holdings Ltd (ASX: ECS) (ECS or Company)**, a leading medicinal cannabis company, is pleased to update the market on the sale of its Tasmanian business and assets.

ECS has entered into a binding share purchase agreement (**SPA**) to sell its 100% owned subsidiary ECS Botanics Pty Ltd (**TasCo**). TasCo is the holder of the Company's Tasmanian operations and farm (**Tasmanian Assets**). The purchase price of TasCo is \$3.0 million.

A deposit of \$300,000 has been paid by Blue Buffalo Pty Ltd (**Purchaser**). The SPA is unconditional as to the Purchaser obtaining finance. Settlement is due to occur on 31 October 2022 (or such date agreed by both parties) at which time ECS will be paid the balance of the purchase price.

### Managing Director of ECS, Nan-Maree Schoerie said:

*"The sale of TasCo completes the third and final step in the group's restructure and streamlining announced to the market on the 14<sup>th</sup> of June this year. This allows us to focus on the expansion at our Victorian operations which is proceeding rapidly. We continue to experience very healthy demand for our medicinal cannabis products and this transaction provides important access to growth capital."*

Consistent with a reduction in secured property, the Company's maximum loan limit with NAB Australia shall be reduced, likely to an upper limit of approximately \$800,000.

**-ENDS-**

Authorised on behalf of ECS by Nan-Maree Schoerie, Managing Director

### About ECS Botanics Holdings Ltd

**ECS Botanics Holdings Ltd** is an Australian medicinal cannabis cultivator and manufacturer located in Northwest Victoria. ECS utilises progressive and innovative cultivation methodologies to produce quality medicine in a sustainable way, adopting regenerative and organic horticultural practices and renewable energy sources. Licenced by the Therapeutic Drug Administration to manufacture PIC/S GMP certified products, ECS has become a leading provider of high quality, affordable medicinal cannabis.

### For further information, please contact:

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