

ASX ANNOUNCEMENT

ECS Botanics Holdings Ltd (ASX:ECS)

7 November 2022



Loddon River flood update

- **ECS facility remains protected and operational from recent flooding in Northwest Victoria**

ECS Botanics Holdings Ltd (ASX: ECS) (ECS or Company) provides the following update on the impact of recent flooding at its operations in northwest Victoria.

The region in which the ECS medicinal cannabis production and processing facility is located has been subject to severe flooding from the Loddon River.

Whilst the site had no history of prior flooding, the Company invested in substantially increasing levee banks to protect the facility. To date, the levee banks have kept the facility dry, allowing operations to continue, and the cannabis plants to be maintained. Significant road closures and flooding in the surrounding areas has meant that some employees have been unable to attend work and impacted supply chain logistics. The ongoing expansion of the facility by way of construction of multiple new protected cropping enclosures has also been delayed.

Although further potential flooding in the region remains a risk, the levees are expected to continue to protect the facility. At this point the Company does not anticipate a material impact on product revenues. The Company will provide a further update if the situation changes.

Managing Director, Nan-Maree Schoerie commented:

"We are pleased to have been able to protect the facility from flooding and hope to continue to do so. However, our thoughts are with the community and the many families who have lost their homes during this widespread flood event. From a business perspective, it is extremely frustrating, as this has distracted us from our expansion as we continue to experience very healthy demand for our products."

-ENDS-

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.

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