

AusCann to Deliver EU GMP Certified Medicinal Cannabis Products to Australia & NZ Under Expanded Collaboration with European Cannabis Corp

31 July 2023 - AusCann Group Holdings Limited (ASX: AC8) ('AusCann' or 'the Company') is pleased to announce that it has expanded its agreement with European Cannabis Corporation Limited ('ECC'), that will now see AusCann sell and distribute EU GMP certified medicinal cannabis in Australia and New Zealand.

Expanding on the term sheet signed by the two companies and announced to the ASX on 29 April 2022, AusCann becomes the exclusive agent for ECC's HAPA products in AU/NZ. This includes a diverse cannabinoid product portfolio of raw flower and standardised full spectrum extracts. ECC manufactures all medicinal products under German EU GMP licensed conditions. This expansion has not resulted in any additional consideration.

ECC will also provide AusCann with all necessary regulatory support for the products supplied, including documentation required to satisfy compliance with Therapeutic Goods (Standard for Medicinal Cannabis) (TGO 93) Order 201.

ECC is an Australian unlisted public company with established networks in the global medical cannabis sector. It owns 100% of HAPA Pharm GmbH in Germany, which is rapidly building a vertically integrated business where it has activities across the spectrum from cultivation, manufacturing and distribution of its German EU GMP medical products (both CBD and THC). HAPA also conducts medical outreach/education programmes to physicians and patients as well as certain clinical trial activities.

The expanded agreement is aimed to exploit opportunities of mutual interest to both companies, as AusCann grants ECC the exclusive licence to its self-emulsifying drug delivery technology (SEDDS), in its current form, for Europe. This will allow ECC to develop a standardised dosage form of cannabis products for commercialisation in Germany.

All intellectual property rights in any developments or products derived by ECC from the SEDDS technology will vest in AusCann immediately on creation, provided ECC is granted a non-exclusive licence to use the developments or products. Under the collaboration AusCann has agreed to validate and scale up its SEDDS technology process, before providing ECC with master validation documentation.

If as a result of the collaboration or co-operation between the companies any new intellectual property is developed, it will be owned jointly by the parties and will vest jointly immediately upon creation.

AusCann's Non-Executive Director Robert Clifford said: "Having explored mutual opportunities with ECC since the binding term sheet announced in April 2022, we're pleased to announce this agreement which expands on the relationship between the two parties. We absolutely see this as a mutually beneficial move for each company, allowing opportunity for AusCann to market and sell ECC's HAPA products to patients and customers in need in the across Australia and New Zealand, while providing ECC with a technology that has the ability to significantly improve delivery of its cannabis products."

ECC's product range to be sold and distributed by AusCann under the collaboration is as follows:

THC/CBD cannabis flowers

(Cannabis Flos, raw Cannabis Sativ L. flower)

All cannabis flowers in the product portfolio have been optimized over years – maximum cannabinoid concentration, steady and secure supply throughout the year, stable active ingredient concentration and long shelf life characterise HAPA pharm's pharmaceutical cannabis flowers.

Full spectrum CBD extracts

(< 0,2% THC)

HAPA pharm has been producing full-spectrum CBD extracts based on medicinal cannabis flowers for many years. The gentle manufacturing process ensures an incomparable cannabinoid profile without the use of THC-minimizing processes (e.g. distillation for broad-spectrum extracts) or additives such as CBD isolates. Many CBD brands swear by HAPA pharms' unique quality and high cannabinoid and terpene concentration. HAPA Pharm have numerous CBD extracts on offer with CBD concentrations ranging from very low concentrations (< 2%) to well over 25%.

THC/CBD Full Spectrum Extracts

(Many concentration forms & individualized production)

Full spectrum extracts from HAPA pharm are suitable for many applications in cannabinoid medicine. In contrast to medicinal cannabis flowers, extracts can be taken orally. Thus, they often have a longer and more constant effect, and the dosage is simplified. Standardized extracts are therefore an indispensable form of cannabinoid medicine.

ENDS

This ASX announcement was authorised for release by the Board of AusCann.

For more information, please contact:

Tod McGrouther
Chair
info@auscann.com.au
+61 8 6444 1720

ABOUT AUSCANN

AusCann Group Holdings Limited (ASX:AC8) is an Australian-based company focused on the development and commercialisation of cannabinoid-derived therapeutic products to address unmet needs for humans and animals within Australia and internationally. Our key difference is the commitment to rigorous product development, focused on providing reliable, stable and standardised cannabinoid-derived therapeutics products, whilst generating robust safety, quality assurance and efficacy data to support market access in various regulatory environments around the world.