

24 October 2023

Company Update and Extension Request

Cann Global Limited (ASX:CGB) (“**CGB**” or the “**Company**”), a health and wellness company, provides the following update on corporate developments and strategy.

As per the Company’s previous announcements, in late September 2022, the Company requested a voluntary suspension in trading of its securities as it sought to conclude a material transaction, which was one of several being pursued by CGB at that time. That transaction, amongst others which CGB has since actively reviewed and sought to progress, did not satisfy regulatory hurdles, notwithstanding its assessed commercial merit.

Further to the Company’s most recent announcement on 15 September 2023, CGB has continued to review and progress opportunities and is currently concluding detailed due diligence on what Directors believe to be a major opportunity for our Company.

As a result of these reviews, the Company is pleased to inform shareholders that the Company has entered into an exclusive dealing agreement to acquire assets in Thailand (**Thailand Assets**) with the view to becoming a major international force in the cannabis industry (**Proposed Transaction**).

It is the Board’s view that Thailand is currently one of the best placed countries in the world to produce mass amounts of high-quality cannabis products at a competitive price point that is lower than other countries currently producing cannabis products. The Board views the proposed acquisition opportunity as a way to enable the Company to distribute cannabis products to the growing large Thailand market and subsequently, into European markets and Australia.

The Company has agreed to issue the vendors of the Thailand Assets 8,500,000 fully paid ordinary shares in the capital of the Company (approximate value of \$178,500 at \$0.021 a share) to secure a 6 month hard exclusivity period while the Company completes the legal and regulatory elements of this acquisition in order to finalise final acquisition terms (**Exclusivity Shares**).

The Exclusivity Shares are to be issued to the following parties (or their nominees):

- Land and Sky Co., Ltd;
- Fah Dao Co., Ltd;
- Green Pharma Botanical Co., Ltd; and
- Biorefine Pty Ltd.

The Exclusivity Shares will be subject to a minimum 12-month voluntary escrow, and it is acknowledged that the ASX may impose further escrow conditions on the Exclusivity Shares.

The Company has made submissions to ASX regarding the Proposed Transaction and, subject to lodgement of its outstanding financial reports, aims to work with the ASX on satisfying the requirements that will need to be undertaken by the Company to complete the Proposed Transaction and enable the Company to resume trading on the ASX.

The Company notes that this transaction may be subject to Chapter 11 of the Listing Rules. ASX is expected to provide a determination with respect to this following the lodgement of the Company's outstanding reports.

Financial Reporting

The Company will now also over the coming weeks work in parallel to finalise the outstanding financial reports to keep shareholders informed in line with the Company's disclosure obligations under the ASX Listing Rules. The Company will progressively release the reports as they are finalised.

The Company wishes to inform shareholders that the delay in the release of its outstanding financial reports is primarily due to the process of considering a change of auditor and internal staffing restructuring. The need for a change of auditor has been a mutual decision between the Company and the Company's current auditor due to not being able to come to an agreement for the remuneration following the last audit being charged at more than double what was originally estimated. The Company is currently in the process of securing a replacement auditor.

Request for Extension of Voluntary Suspension

Pursuant to ASX Listing Rule 17.2, CGB requests a further extension of the voluntary suspension of the Company's securities, effective immediately.

Further to the Company's request for suspension on 15 September 2023, and as noted elsewhere in this announcement, the Company is not yet in a position to make a fully detailed acquisition announcement. CGB requests an extension to the current voluntary suspension, pending release of a definitive announcement regarding this proposed acquisition, as referenced in the Company's original suspension request. It is expected that the announcement will be able to be made by Thursday 30 November 2023.

The Company is not aware of any reason why the request should not be granted.

Authority & Contact Details

This announcement has been authorised for release by Sholom Feldman, Managing Director. For further information please contact Investor Relations on +61 2 8379 1832, or via email at investorrelations@cannglobal.com.au