

28 February 2017

MMJ Takes Significant Step Towards First Australian Sales Following Submission of Import Licence Application

- **MMJ targeting early entry into evolving Australian medicinal cannabis market through importation of cannabidiol (CBD) capsules**
- **Extensive Australian distribution network in place via strategic partnership with Melbourne-based HL Pharma Pty Ltd**
- **MMJ's Swiss subsidiary, Satipharm AG, has inventory ready for immediate importation to Australia upon receipt of Import Licence and Permit**
- **MMJ fully supports Australian Government's recent decision to enable faster access to approved medicinal cannabis products**

MMJ PhytoTech Limited (ASX: MMJ) ("MMJ" or "the Company") is pleased to advise that the Company's Australian distribution partner, HL Pharma Pty Ltd. ("HL Pharma") has submitted its application for a medicinal cannabis import licence to the Department of Health.

Upon receipt of the import licence and import permit, MMJ's wholly-owned Switzerland-based subsidiary, Satipharm AG ("Satipharm"), will immediately commence the importation of its CBD capsules to HL Pharma, where the capsules will be stored in a secure warehouse facility before being distributed to approved customers.

Following the signing of a binding agreement with HL Pharma (see ASX release dated 13 February 2017), MMJ now has in place the necessary framework for the importation and distribution of Satipharm's CBD capsules.

HL Pharma's application follows the recent decision by the Turnbull Government (release dated February 22 2017) to authorise the controlled importation of medicinal cannabis products by approved providers for domestic supply.

Importantly, this decision will enable faster access to approved medicinal cannabis products under the current legislative framework, fast-tracking MMJ's entry into the Australian market.

MMJ PhytoTech's Managing Director, Andreas Gedeon, commented:

"This is a significant development for MMJ as it represents a clear opportunity to position the business as a trusted supplier of high quality medicinal cannabis products in the Australian market.

As a leader in the global medicinal cannabis industry, MMJ has the expertise, infrastructure and inventory in place to facilitate a seamless entry into Australian market, and we look forward to growing this division of the business in the near-term.

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The Company is highly supportive of the Australian Government's decision to provide faster access to approved medicinal cannabis products, and we will continue to consult with the Government as this legislative framework evolves."

-ENDS-

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About MMJ PhytoTech Limited

MMJ PhytoTech Limited (ASX. MMJ) is focused on becoming a large-scale cannabis producer, targeting direct supply to the growing Canadian medical and recreational markets which will have an estimated combined value of C\$8-9 billion by 2024. The Company controls operations across the entire medicinal cannabis value chain through three business units, strategically located in favourable jurisdictions with supportive regulatory frameworks in place.

MMJ has signed a definitive agreement with Canadian-based Harvest One Capital Corp. (TSXV NEX: WON.H) for the sale to Harvest One of 100% of the issued shares of United Greeneries Holdings Ltd and Satipharm AG.

United Greeneries Holding Ltd. has established world-class growing facilities in Canada, including the fully licensed Duncan Facility. MMJ is the first Australian-based company to receive a Canadian medicinal cannabis cultivation licence, and one of only a few companies globally with the capacity to commercially cultivate medicinal grade cannabis in a federally regulated environment.

The Company's Swiss-based, medicinal products division operates under its 100% owned subsidiary, **Satipharm AG**, and is currently focused on developing regulatory compliant, unique oral delivery technologies that have the potential to deliver safe, effective and measured doses of medicinal cannabis to customers. MMJ began production of its first

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capsule product in May 2015, and is committed to providing novel treatment options throughout regulated markets globally.

PhytoTech Therapeutics Ltd is MMJ's Israel-based subsidiary responsible for the clinical research and development activities. In March 2016, PhytoTech Therapeutics completed a phase 1 clinical study which highlighted the safety and performance of Satipharm's capsule formulations in delivering CBD compounds to trial subjects.