

AusCann Substantial Shareholder Change

14 October 2019 – Leading medical cannabis company **AusCann Group Holdings Limited** (ASX:AC8) (AusCann or 'the Company') notes that Canopy Growth Corporation (Canopy Growth) has sold its 13.2% interest in AusCann (42,087,639 shares). The sale was conducted off market with the majority of the holding (11.43%) acquired by Merchant Funds Management Pty Ltd (Merchant), a Western Australian based financial services firm with both Australian and international investment experience in the medical cannabis sector.

Canopy Growth CEO, Mr Mark Zekulin, commented: "Canopy Growth remains optimistic about the future of the Australian cannabis market and will continue to collaborate with the team at AusCann to support greater physician understanding and patient access to high quality cannabis products."

AusCann CEO, Mr Ido Kanyon, added: "Canopy Growth became a major shareholder in AusCann through supporting our capital raising in 2017. AusCann was then establishing its infrastructure and early position in a new market. Now we are at the next phase of our growth and focusing upon pharmaceutical product development and generating the clinical evidence to support commercialisation"

"As we execute on our operating plans, we continue to have a good working relationship with Canopy Growth evidenced by Canopy Growth's Dr. Marcel Bonn-Miller's recent and continued appointment to the AusCann Board of Directors. We look forward to continuing our work together as we launch our clinical trials and products. We also welcome Merchant Funds Management as a substantial shareholder at these exciting times for the company."

"AusCann is well positioned to capitalise on the growing demand for medicinal cannabis-based pharmaceuticals in Australia and globally. Our focus is to establish AusCann as a trusted pharmaceutical player, providing superior standardised products supported by clinical evidence and medical acceptance to meet the needs of doctors and their patients."

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ABOUT AUSCANN

AusCann Group Holdings Limited (ASX:AC8) is an Australian-based Pharmaceutical Company focused on the development, production, and marketing of cannabinoids-based pharmaceuticals within Australia and internationally. AusCann:

- **transforms** the way Medical Cannabis is dispensed today by making Cannabinoids-based Pharmaceutical dose forms accessible to patients, physicians and healthcare providers worldwide.

- **enables** physicians to treat their patients with a reliable, stable, well-characterized pharmaceutical product, monitor treatment results and adjust treatment algorithm using a portfolio of products and formulations.
- **holds** all required Medical Cannabis licenses to operate in Australia following its incorporation in 2014.
- **is targeting** the treatment of chronic pain in Australia initially, whilst exploring global export opportunities and expansion into additional medical areas.