



ASX RELEASE

10 July 2015

ASX Waiver of Listing Rule 14.7

PhytoTech Medical Limited (ASX:PYL) (the "Company") is pleased to announce that the ASX has granted the Company a waiver from ASX Listing Rule 14.7 to allow the Company to issue the following securities in connection with its proposed merger with MMJ Bioscience Inc ("MMJ"):

- 17,000,000 consideration shares to the vendors of MMJ ("Deferred Consideration Shares"); and
- 510,000 shares to Turul Ltd and OS Media SEZC Ltd (or their nominees) as an introduction fee for the transaction ("Deferred Fee Shares");

(collectively referred to as the "Deferred Shares").

The waiver allows the Company to issue the Deferred Shares later than 3 months after 29 June 2015 ("Meeting"), being the date of the shareholders' meeting at which the issue of the Deferred Shares was approved.

The ASX has granted the waiver on the following key conditions:

- 8,500,000 of the Deferred Consideration Shares must be issued no later than 15 months from the date of the Meeting, with the remaining 8,500,000 Deferred Consideration Shares to be issued no later than 39 months from the date of the



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Meeting and otherwise on the same conditions approved by shareholders at the Meeting;

- 255,000 of the Deferred Fee Shares must be issued no later than 15 months from the date of the Meeting, with the remaining 255,000 Deferred Fee Shares to be issued no later than 39 months from the date of the Meeting and otherwise on the same conditions approved by shareholders at the Meeting;
- The milestones which must be satisfied for the Deferred Shares to be issued are not varied;
- For any annual reporting period during which any of the Deferred Shares have been issued or remain to be issued, the Company's annual report must set out in detail the number of Deferred Shares issued in that annual reporting period, and the number of Deferred Shares that remain to be issued, and the basis on which those Deferred Shares may be issued; and
- For any half year or quarter during which any of the Deferred Shares have been issued or remain to be issued, the Company's interim report and quarterly activities must include a summary statement of the number of Deferred Shares issued during the reporting period, and the number of Deferred Shares that remain to be issued, and the basis on which those Deferred Shares may be issued.

-Ends-

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About PhytoTech Medical Limited

PhytoTech Medical Limited is a medical cannabis company, which aims to commercialise Medical Grade Cannabis ("MGC") and high potential cannabis based therapeutics products to the rapidly growing international market with regulated medical cannabis laws. With research facilities located in Israel, a global leader in medical cannabis research, the Company is strategically positioned to become a key player in the global MGC market.

On 23 March 2015, the Company announced that it had entered into an agreement to acquire 100% of the issued capital of MMJ Bioscience Inc., a Canadian-based multinational vertically integrated MC company. Under the terms of the agreement, the two companies will combine in a "Merger of Equals" via a three-stage deal structure based on MMJ achieving key milestones. The combined group will form a vertically integrated MC company which will be involved with the production, research and development and distribution of MC products.

Having obtained shareholder approval on 29 June 2015, the Company is now progressing towards settlement of the merger in the coming days.

About MMJ Bioscience Inc.

MMJ is a Canadian-based, global, vertically-integrated, cannabis-focused bioscience company specialising in supply chain optimisation and product development for the emerging global cannabis market.

Its Canadian subsidiary, United Greeneries, is currently in the final stage of applying for a federal license under the Marihuana for Medical Purposes Regulations ("MMPR"). An integral part of MMJ's strategy is to approach medicinal cannabis in a multi-tiered fashion, with a global perspective and a strategy that positions the



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company in key segments of the legal cannabis supply chain. MMJ aims to continuously incorporate higher value verticals into the Company's product and service offerings in a disciplined and incremental fashion. United Greeneries will provide a robust cannabis and cannabinoid production capacity, enabling our group to actualise the medical potentials of Cannabis.

Satipharm is MMJ's European pharma-initiative focused on the research, development and distribution of cannabis-based pharmaceutical, nutraceutical and cosmetic products. Satipharm's goal is to be the leader in this space by capitalising on its first-mover opportunities. To date, Satipharm has been able to create a platform by closing the loop from 'Farm to Pharma'. The European base allows Satipharm to take advantage of favourable narcotics laws in different countries and provinces within the European Union ('Jurisdictional Synergies'). MMJ has established a number of key international partnerships placing us well ahead of the curve when it comes to developing and distributing cannabis and cannabinoid-based pharmaceutical, nutraceutical and wellness products.

<http://mmj.ca/>