

ASX RELEASE (15 JUNE 2020)

THC Global Commences Production Deal with Cannatrek

Investment Highlights:

- THC Global and Cannatrek have signed a 12 month production deal, utilising Cannatrek's expert cultivation and THC Global's world-class pharmaceutical production at the Southport Facility
- THC Global to develop and manufacture Cannatrek branded medicines on contract
- Cannatrek provide cannabis biomass to THC Global for production of both Cannatrek medicines and an additional quantity for THC Global's own production of Canndeo branded medicines
- Tetra Health to support patient and prescriber access to these new medicines across network of over 600 prescribing physicians

THC Global Group Limited (**THC Global** or the **Company**) (ASX:THC) is pleased to announce that Cannatrek Limited (**Cannatrek**) has agreed to a cannabis supply and manufacturing agreement. This agreement takes advantage of THC Global's Southport Facility as a high volume world-class pharmaceutical production facility, and Cannatrek's significant cannabis cultivation expertise.

Cannatrek is a leading grower of medicinal cannabis in Australia, with growing facilities located outside Brisbane, growing a number of cannabis strains with diverse cannabinoid levels. Cannatrek are also developing a new facility in Shepparton, Victoria which was granted Major Project Status by the Australian Government as a new greenfield development.

The terms of this arrangement between THC Global and Cannatrek includes:

- Cannatrek to supply dried cannabis flower to THC Global for the manufacture into oil based medicinal cannabis medicines at its Southport Facility
- In return for the extraction and manufacturing, Cannatrek to deliver THC Global an equal quantity of dried cannabis flower used in Cannatrek's production for THC Global's own use in its medicines
- Minimum annual supply by Cannatrek of 480kg of dried flower to THC Global – 240kg for production of Cannatrek medicines and 240kg for THC Global's Canndeo medicines
- In a separate agreement with Tetra Health, Cannatrek's medicines to be made available for prescription and supply through Tetra's network of over 600 prescribing physicians

Through THC Global's ownership of the extraction process, on-site laboratories for product development and validation, and a pathway to patient access through Tetra Health, THC Global can offer a complete solution for expert cannabis cultivators like Cannatrek.

Further, alongside THC Global's low cost of medicines production at its Southport Facility, this arrangement is a low cost means of acquiring cannabis plant material to scale up proprietary medicines production. This arrangement with Cannatrek is greatly beneficial for the Australian medicinal cannabis industry and for Australian patients by delivering more choices of high quality Australian produced medicines.

THC Global CEO, Ken Charteris, commented: "This is a significant milestone for THC Global and Cannatrek, but also for the Australian medicinal cannabis industry. By utilising our Southport Facility to produce high quality medicinal cannabis medicines for Cannatrek's brand as well as our Canndeo brand, we're increasing the number of Australian produced medicines available to patients, and supporting the development of the industry as a whole.

“I look forward to seeing production with Cannatrek commence shortly, and invite other cultivators to explore partnering with THC Global.”

Cannatrek CEO, Tommy Huppert, commented: “The Australian medicinal cannabis industry is maturing rapidly in 2020 and the THC Global-Cannatrek production agreement provides excellent opportunities for deploying both agronomic and manufacturing excellence in the supply chain but more importantly, will allow patients to have access to 100% Australian made medicinal cannabis for therapeutic purposes, at a more affordable price.”

First supply of dried cannabis flower from Cannatrek under this arrangement is expected to commence in Q3 2020, with first Cannatrek branded medicines to be released by THC Global in Q4 2020 following production and validation.

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ASX release authorised by THC Global’s Management Committee – the Chairman, Deputy Chairman, and CEO.

THC Global Group Limited (ASX: THC) thc.global

THC Global is a diversified global cannabis company with primary operations in Australia and Canada. THC Global is the first ASX listed entity to fully own and operate end to end commercial medicinal cannabis production facilities under Australia’s cannabis regulations. THC Global’s Southport Facility is one of the largest pharmaceutical GMP cannabis manufacturing facilities in the world. THC Global also owns and operates Crystal Mountain, a fast growing hydroponics equipment and supplies wholesaler and retailer servicing the rapidly expanding cannabis sector in North America and Europe.

For prospective patients or healthcare professionals seeking more information on medicinal cannabis, please visit: canndeocare.com and tetrahealth.com.au.

Cannatrek Limited cannatrek.com.au

Cannatrek is a unlisted public company focused on Australian and international supply of medicinal cannabis with operations in Queensland and Victoria, and distribution of medicinal cannabis products across Australia. Cannatrek is set to redefine the medical cannabis industry in Australia, by converging research, cultivation, green technology and distribution, that will put patients first and create a sustainable domestic enterprise, underpinned by smart global partnerships. Recently, Cannatrek was awarded Major Project Status by the federal Australian Government as a new greenfield development for its scaled 160,000 square metre project in Shepparton, regional Victoria.