



ASX RELEASE (5 APRIL 2019)

THC Global Continues Global Expansion – Asian Markets Strategy

Key Points:

- **THC Global expanding into Asia through commercial partnerships in key countries**
- **Partnership with Malaysian bio-tech firm to deliver medicinal cannabis products**
- **Pathway to government liaison towards developing legislation for medicinal cannabis within key Asian markets – initially Malaysia**
- **Nation specific strategy to take advantage of unique competitive advantages and local markets using local knowledge through partners**
- **Scope of activity in Asia to include developing patient access, doctor and patient engagement, off-take agreements and sales, R&D, and IP commercialisation**

THC Global Group Limited (THC Global or the Company) (ASX:THC) has completed a significant first step in its Asian Markets Strategy in securing a mutually exclusive partnership with Malaysian agri-tech company Heleogenics Sdn Bhd (**Heleogenics**). The partnership with Heleogenics is initially to liaise with the Malaysian Government towards the legalisation of medicinal cannabis in Malaysia, including the development of policy frameworks and legislation. THC Global will work with Heleogenics to further explore other nations within Asia and the Middle East where there may be opportunities for THC Global to enter the medicinal cannabis market in their nascent growth phases. The partnership will also encompass exploration of the significant agri-tech experience in plant genomics of Heleogenics, as well as THC Global's expertise and IP in medicinal cannabis.

Dr Arif Anwar, Executive Director of Heleogenics commented: "We are pleased to be working closely with THC Global towards delivering medicinal cannabis in the Asian region in the near term, as well as working on research and development within the sector, leveraging THC Global's experience in plant breeding and cultivation for medical use.

"THC Global's focus on a farm-to-pharma approach is attractive to us as we see greater likelihood of the Asian region looking towards the pharma model for medicinal cannabis over other options."

Ken Charteris, CEO of THC Global commented: "Working with the Heleogenics team, who are leaders in the bio-tech and agri-tech sector within Asia brings a significant wealth of experience both within government liaison in addition to broadening the Company's research and development capabilities.

"In securing commercial partnerships with established businesses like Heleogenics within Asia, we are able to enter markets in an accelerated manner as soon as legislative changes are made, ensuring a first-to-market approach with significantly lower capital outlay than operating solely."

Heleogenics is associated with Sengenics, a global medical bio-tech company primarily focussed on proteomics for medical diagnostics and the development of novel therapies. Sengenics's shareholders include SBI Holdings (SoftBank) and Insas Berhad.



THC Global's Asian Market Strategy

The Company's Asian Markets Strategy is to enter into commercial partnerships with leaders within specific complimentary industries within key Asian markets based on the local approach that is most likely to deliver success, leveraging local knowledge, IP, and technology through partners. This approach delivers a broad reach across nations with a significantly reduced capital outlay when compared to the Company directly entering these markets.

For Malaysia, seeking a partner in the bio-tech and agri-tech sector reflects the Malaysian Government's focus on investing in and fostering a 'bioeconomy' particularly through its Bioeconomy Corporation. In other nations, the Company is looking to find similar competitive advantages within local markets in order to be best placed to both influence legislative action and take advantage of legislative changes as they are made, with an approach tailored to the specific local market.

THC Global continues to build a strong network of commercial partners globally and expects to continue to secure high-value partners for developing pathways for supply into local markets including patient and doctor engagement and government liaison, in addition to research and development.

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

THC Global operates under a 'Farm to Pharma' pharmaceutical model and is currently delivering high quality medicinal cannabis products to Australian patients through existing access schemes. Having secured both a significant growing capacity over two grow sites, and an industry-leading pharmaceuticals biomanufacturing facility with attached testing and product development laboratory, THC Global is in prime position to service both domestic patients and the export market. THC Global's commercial partners operate across four continents, supporting future international growth.

In addition to its core medicinal cannabis business, THC Global owns two Canadian companies, being Crystal Mountain Products and Vertical Canna Inc. Crystal Mountain Products operates a revenue generating global hydroponics retailer and distributor of equipment, material, and nutrients to cannabis growers and producers. Vertical Canna Inc is an investment vehicle through which THC Global intends to build, through acquisitions and strategic partnerships, a vertically integrated Canadian cannabis producer and retailer. Vertical Canna's existing asset portfolio includes a land-holding in Nova Scotia, Canada to be developed into a large-scale cannabis production facility.

Heleogenics Sdn Bhd

Heleogenics is a pioneer Bionexus Company that has developed novel solutions for accelerated breeding of new varieties of plants, based on four key cutting-edge technologies: plant trait discovery, accelerated breeding, plant traceability and small molecule synthesis using plant pathways. Together, these technologies result in a massive reduction in the time required to develop new plant varieties with the traits of commercial value. Furthermore, the cisgenic approach utilised, ensures that the new variety can be classified as "non-GMO".