LGC Capital Increases Strategic Interest in Australian Medical Cannabis Company - Little Green Pharma

LGC Capital Ltd.
Symbol: TSX-V: LG

MONTREAL, Feb. 15, 2018 /CNW Telbec/ - **LGC Capital Ltd. (TSXV: LG)** ("**LGC**") is pleased to announce that it yesterday completed its previously-announced transaction with licenced Australian Medical Cannabis company Habi Pharma Pty Ltd of Perth, Australia, doing business as Little Green Pharma ("**Little Green Pharma**"), whereby LGC increased its strategic interest in Little Green Pharma to 14.99% from 11.91%.

John McMullen, CEO of LGC commented, "We are very much looking forward to Little Green Pharma cultivating its first crop over the coming months and producing its first medical cannabis products for commercial sale in Australia. The funding provided by LGC over the past few months has provided Little Green Pharma with working capital to enable it to start its first commercial production. LGC's objective is to fund many of our other investment initiatives around the world to achieve the same goal over the coming year."

At closing, Little Green Pharma issued 2,283,495 additional shares to LGC at a deemed issue price of AUD $1.16398 per share for a total consideration of approximately AUD $2,657,950. LGC paid for the shares by issuing 5,000,000 LGC shares to Little Green Pharma at a deemed issue price of CAD $0.53 per share, representing the closing price of LGC's shares on the TSX Venture Exchange on January 19, 2018, for a total consideration of CAD $2,650,000, equivalent to AUD $2,679,150 based on the Bank of Canada exchange rate on February 14, 2018. The 5,000,000 LGC shares are subject to a "hold period" which expires on June 15, 2018.

The subscription agreement entered into by LGC and Little Green Pharma at closing contains an undertaking by LGC to participate in Little Green Pharma's next capital raise, by June 30, 2018, to the extent required to maintain LGC's 14.99% shareholding in Little Green Pharma.

Note: On February 14, 2018, the Bank of Canada's daily average exchange rate for the Australian dollar was AUD $1.00 = CAD $0.9891.

About Little Green Pharma (www.lgpharma.com.au)

Little Green Pharma is a private entity in Australia and is one of the few companies in Australia to be granted a licence to cultivate and produce Medical Cannabis within Australia. On December 14, 2017, Little Green Pharma announced that its first crop of medicinal cannabis was being cultivated in Western Australia at its secure growing facility south of Perth. That event marks the first time medicinal cannabis has been cultivated locally in Western Australia. Little Green Pharma aims to have first product available for patients within the first few months of 2018.

About LGC (http://www.lgc-capital.com)

LGC Capital Ltd. is a Canadian incorporated public company listed on the TSX Venture Exchange (TSXV: LG). LGC's objective is to become a diversified business group with core business divisions that provide shareholders with exposure to a diverse range of businesses, products and services.

Information Relating to Little Green Pharma

All information contained in this press release relating to Little Green Pharma has been provided to LGC by Little Green Pharma. LGC has relied upon this information without having made independent inquiries as to its accuracy or completeness and assumes no responsibility for any inaccuracy or incompleteness of such information.

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements with respect to LGC Capital Ltd. ("LGC") and Habi Pharma Pty Ltd ("Habi Pharma"), and their respective operations, strategy, investments, financial performance and condition. These statements generally can be identified by use of forward- looking words such as "may", "will", "expect", "estimate", "anticipate", "intends", "believe" or "continue" or the negative thereof or similar variations. The actual results and performance of LGC and Habi Pharma could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, government regulation and the factors described under "Risk Factors and Risk Management" in LGC's Management's Discussion and Analysis for the fiscal year ended September 30, 2017, as filed on SEDAR (www.sedar.com). The cautionary statements qualify all forward-looking statements attributable to LGC and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release and neither LGC nor Habi Pharma has any obligation to update such statements, except to the extent required by applicable securities laws.

Caution Regarding Press Releases

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