



ASX ANNOUNCEMENT

7 September 2021

Share Purchase Plan approved to proceed

7 September 2021 – Cann Group Limited (ASX: CAN) (**Cann** or the **Company**) announced today that, following shareholder approval received at today's Extraordinary General Meeting, the Company will be proceeding with a Share Purchase Plan (**SPP**) to raise up to \$10 million. The SPP is in addition to the Company's successful \$10 million placement announced to the market on 26 July 2021 (**Placement**) and, together with the Placement funds, will complete the total capital raising of up to \$20 million (**Capital Raising**).

As previously announced, the proceeds from the Capital Raising will be used to invest in initiatives which are expected to deliver substantial cost savings as Cann moves to large scale production with the commissioning of its new manufacturing facility near Mildura. Funding will be used to expedite and strengthen Cann's in-house extraction, laboratory and manufacturing capabilities, which are expected to de-risk Cann's supply chain and lower cost of goods sold by reducing the Company's reliance on third party manufacturers and service providers.

Details of the SPP Offer

Eligible shareholders will have the opportunity to apply for a minimum of \$500 and up to a maximum \$30,000 of new fully paid ordinary shares (**New Shares**) at an issue price of \$0.275 per New Share (**SPP Price**), being the same issue price of New Shares allocated to institutional investors in the Placement.

In determining the proposed amount that Cann seeks to raise under the SPP, Cann has considered the relatively large retail component on its share register and has sought to provide an equitable opportunity for its retail shareholders to participate in this offer.

Eligible shareholders are those holders of fully paid ordinary shares in Cann as at 7.00pm (Melbourne time) on Monday, 6 September 2021 (**Record Time**) and whose address on the share register is in Australia, New Zealand or Ireland, provided that:

- (a) such shareholder is not a US person or acting for the account or benefit of a person in the United States; and
- (b) for shareholders with addresses in New Zealand, such persons must also hold fully paid ordinary shares in Cann as at 7.00pm (Melbourne time) on the date the SPP Offer opens.

The SPP offer period is expected to open on Monday, 13 September 2021 and to close at 5.00pm (Melbourne time) on Tuesday, 5 October 2021, subject to the Company's right to close the SPP offer early or to extend the SPP offer period, in its absolute discretion.

The SPP offer document and application form are expected to be despatched to eligible shareholders on Monday, 13 September 2021 via post or email in accordance with their communication preferences. Shareholders receiving email communications can download the SPP offer booklet and personalised SPP application form from the SPP offer open date at the Company's website (www.canngrouponlimited.com).

Key dates for the SPP are set out below. These dates are indicative only and may be varied by Cann.

Event	Date
Record Date	Monday, 6 September 2021
SPP Offer opens	Monday, 13 September 2021
SPP Offer closes	5:00pm (Melbourne time) Tuesday, 5 October 2021
Completion announcement date (and notice of scale backs, if any)	Tuesday, 12 October 2021
Allotment Date	Wednesday, 13 October 2021
Despatch Holding Statements	Thursday, 14 October 2021

For further information regarding the SPP Offer please contact Cann's share registry, Link Market Services Limited on 1300 363 917 (within Australia) or +61 1300 363 917 (outside Australia) between 8.30am and 5.30pm (Melbourne time), Monday to Friday.

Authorised for release by the Board of Directors of Cann Group Limited.

For all media enquiries please contact:

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About Cann Group

Cann Group Limited (ABN 25 603 949 739) is building a world-class business focused on breeding, cultivating, manufacturing and supplying medicinal cannabis for sale and use within Australia and for approved overseas export markets. Cann also owns Satipharm, a Europe-based business exclusively licensed to manufacture, develop and market the proprietary Gelpell delivery system for cannabinoids. Cann has established research and cultivation facilities in Melbourne and is developing a state-of-the-art cultivation and manufacturing facility near Mildura, Victoria. Cann Group has established a leading position in plant genetics, breeding, extraction, analysis and production techniques required to facilitate the supply of medicinal cannabis for a range of diseases and medical conditions. The Company is commercialising a range of imported and locally sourced and manufactured medicinal cannabis products.

Learn more at: www.canngrouplimited.com | www.satipharm.com