

ASX ANNOUNCEMENT

24 July 2023

Latest harvest confirms Cann Group on track to achieve 12.5 tonne volume target

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- **First harvest completed at doubled production scale**
 - **Mildura facility now at the scaling up stage of the business**
 - **“A grade” flower quality at record high percentage above 95%**
 - **Cann now focused on scaling its high-quality products to meet market demand**
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24 July 2023 – Cann Group Limited (ASX: CAN) (**Cann** or the **Company**) is pleased to announce that it has, this month, successfully completed a crop harvest at a scale that is twice that of previous harvests. This is a key step towards achieving the Company’s target of reaching annualised production volumes of 12.5 tonnes at its Mildura GMP facility and reaching EBITDA profitability by the 2025 financial year.

The latest harvest involved more than 320 square metres of crop, which is twice the area of crop that had been harvested previously. The harvest was achieved ahead of schedule, with high quality dry flower yield, some 17% ahead of target. The crop area harvested equates to an annualised production level of 8 tonnes.

Cann Group CEO, Peter Koetsier, said, *“This is a tremendous achievement by our production team at Mildura and gives us strong confidence that we are on track to reach our 12.5 tonne annualised volume target. The improvement in flower quality underscores the value of our focus on cultivation processes and the investment we have made in leading-edge technology at Mildura. It is also a clear signal to our customers and the market in general that Cann Group is able to produce and supply high quality product on a reliable basis.”*

Higher production levels are delivering operating leverage for the Company, with planned new investment in increased automation driving further efficiencies and margin benefits.

“We will continue to scale up production over coming months, reinforcing our competitive advantage and keeping us on the path to EBITDA profitability,” said Mr Koetsier.

A video about the new scale harvest at Cann’s Mildura facility is available to view at the following link: <https://youtu.be/IRgxoirJVao>

Authorised for release by the Company Secretary, Cann Group Limited.

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About Cann Group

Cann Group Limited (ABN 25 603 949 739) is enhancing patients' lives by developing, producing, and supplying innovative cannabis medicines. The Company has research facilities and corporate headquarters in Melbourne and operates a state-of-the-art large-scale cultivation and GMP manufacturing facility near Mildura, Victoria. Cann Group supplies a range of dried flower and oil products, as well as active pharmaceutical ingredients and extracts, to customers in Australia and around the world. Cann Group also owns Satipharm and its patent-protected capsule technology.

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