



ASX ANNOUNCEMENT

25 February 2020

Cann Group releases half year results

25 February 2020 – Cann Group Limited (ASX:CAN) today released its results for the six months to December 31, 2019. The Company reported revenue from sales of \$0.57 million and an operating loss of \$8.4 million for the period.

During the period, Cann Group progressed works associated with its new production facility near Mildura and announced a revised, staged construction plan that targets the commissioning of 12,500 kgs of cannabis dry flower production (stage 1A) by the end of calendar year 2020. A funding package for the stage 1A development is expected to be announced by the end of March.

The Company also made positive progress in relation to the manufacture of a range of locally sourced medicinal cannabis formulations, with several of these expected to be launched within the current calendar year quarter. A national distribution agreement was also executed with Symbion Pty Ltd.

Subsequent to the end of the period, the Company announced it had successfully secured institutional funding support for working capital via the issue of convertible notes, raising \$8 million.

On 25 February 2020, the Company entered into a release deed to terminate the Company's investment obligations in Pure Cann NZ Limited (**Pure Cann**) (with an effective date of termination of 31 December 2019). In addition, the Company is in good faith discussions with Pure Cann regarding long-term supply and technical services agreements.

The Company also confirmed that Ms Reena Dahiya, its Acting Chief Financial Officer since 6 December 2019, has now been appointed permanently to this role.

For a more comprehensive overview on developments during the period, shareholders should reference the [Market Update](#) and [Update Presentation](#) released via the ASX on January 29 2020.

Authorised for release by the Board of Cann Group Limited.

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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. The company has established research and cultivation facilities in Melbourne and is developing a state-of-the-art cultivation facility near Mildura, Victoria. Cann Group has executed collaboration agreements that have enabled it to establish 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 about Cann Group at www.canngrouplimited.com**

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