



17 February 2020

PRE-QUOTATION DISCLOSURE

Little Green Pharma Limited (ACN 615 586 215) (**Company**) provides the following confirmation to satisfy the conditions for admission of the Company's securities to quotation on ASX.

Capitalised terms used in this announcement not otherwise defined have the meaning given in the Company's prospectus dated 19 December 2019 and the supplementary prospectus dated 9 January 2020 (together, the **Prospectus**).

1. Confirmation of completion of Offers

The Company confirms the issue of:

- (a) 22,222,222 Shares at an issue price of \$0.45 each, pursuant to the Public Offer;
- (b) 6,000,000 performance rights which each convert into one fully paid ordinary share, subject to the conditions set out in section 11.9 of the Prospectus;
- (c) 34,841,176 shares on conversion of 10,350,000 convertible notes on the terms set out at section 11.4(c) of the Prospectus; and
- (d) 250,000 ordinary shares to director Mr Michael Lynch-Bell and 125,000 ordinary shares to director Dr Neale Fong.

2. Updated use of funds

As at 31 December 2019, the Company had cash at bank of approximately \$2,160,000. Since that time, the Company estimates it has spent approximately \$1,860,000 on its cultivation expansion project plus operating expenses and has remaining cash at bank of approximately \$300,000, not including funds raised under the Prospectus.

The Company provides the following statement of commitments based on the actual funds raised under the Offers and the Company's estimated existing cash:

Use of funds	Actual Subscription \$
Sales and marketing	1,950,000
Research and development	1,500,000
System implementation	1,500,000
Manufacturing site expansion	1,500,000
Education activities	1,000,000
Regulatory compliance	500,000

Use of funds	Actual Subscription \$
International office costs	500,000
Inventory build up	850,000
Costs of the Offer	1,000,000
Total	10,300,000

Refer to Section 10.3 of the Prospectus for additional information in respect of each of the items noted above.

The above estimated expenditures will be subject to modification on an ongoing basis depending on the results obtained from the Company's activities. Due to market conditions, the development of new opportunities and/or any number of other factors (including the risk factors outlined in section 6 of the Prospectus), actual expenditure levels may differ significantly from the above estimates.

3. **Restricted securities**

The Company confirms the following securities will be subject to restriction pursuant to the ASX Listing Rules for the period outlined below:

Class	Number	Restriction Period
Shares	54,034,703	24 months from the date of official quotation
Options	7,573,536	24 months from the date of official quotation
Performance Rights	4,000,000	24 months from the date of official quotation
Shares	8,460,322	12 months from the date of issue, being until 2 August 2020
Shares	1,392,855	12 months from the date of issue, being until 27 September 2020

Shares	1,561,636	12 months from the date of issue, being until 5 February 2021
Shares	244,445	12 months from the date of issue, being until 1 July 2020

4. Voluntary escrow

The Company confirms the following securities will be subject to voluntary escrow restrictions as described in Section 11.13 of the Prospectus:

Class	Number	Restriction Period
Shares	13,974,961	6 months post listing

5. Capital structure

The Company's capital structure at the date of admission is:

Security	Number
Fully Paid Ordinary Shares	133,501,069
Options	14,923,536
Performance Rights	7,000,000

6. ASX waivers

ASX granted the Company a waiver from Listing Rule 1.1 Condition 12 to the extent necessary for the Company to have on issue up to 7,000,000 performance rights ("Performance Rights") with an exercise price of less than \$0.20 on the condition that the material terms and conditions of the Performance Rights are clearly disclosed in the Company's Prospectus.

7. Update on Prospectus disclosure

New products release

As disclosed in the Prospectus, the Company is targeting the release of three additional Classic oil products, "CBD 50", being a <0.2mg THC: 50mg CBD oil, "LGP Classic CBD 1:50" being a 1mg THC: 50mg CBD oil, and "LGP Classic CBD 1:100" being a 1mg THC: 100mg CBD oil in early 2020. The Company wishes to advise that it has continued to progress development and production of these three Classic oil products and anticipates announcing the availability of the CBD 50 Classic oil product for sale shortly.

For personal use only

The Company confirms it is continuing to develop its LGP Classic CBD 1:50 and LGP Classic CBD 1:100 product lines and continues to expect these will be released in early 2020.

Care NSW Trial

The Company has entered an agreement with the Australian Centre for Cannabinoid Clinical and Research Excellence (through the University of Newcastle) as one of the suppliers of investigational product for participants in the “Cannabinoids form Symptom Control in Advanced Cancer, An Open Label Prospective Clinical Trial in NSW (CARE NSW)”.

Astral

As disclosed in the Prospectus, the Company has continued to finalise supply arrangements into the UK with a UK distributor, Astral Health Ltd. The Company anticipates making an announcement regarding these supply arrangements shortly.

Demecan

As disclosed in the Prospectus, the Company is party to a non-binding term sheet with Deutsche Medizinalcannabis GmbH (Demecan) for the supply and purchase of the Company’s medicinal cannabis products. The parties are continuing to negotiate the terms of a formal and binding agreement and the Company is aiming to enter into binding commercial terms (which will be subject to certain conditions precedent) in the first quarter of 2020.

CC Pharma

As disclosed in the Prospectus, the Company is party to a non-binding term sheet with CC Pharma GmbH for the supply and purchase of LGP’s medicinal cannabis products, which term sheet sets out the intention of the parties to subsequently enter into a formal and binding agreement. To date the parties have not entered into a formal and binding commercial agreement however the parties continue to engage with each other on the basis set out in that term sheet.

Cansativa

As disclosed in the Prospectus, the Company is party to a non-binding letter of intent with Cansativa GmbH in respect of import and distribution services in respect of the Company’s medicinal cannabis products. The Company anticipates making an announcement regarding these import and distribution services arrangements shortly.

Sales update

As disclosed in the Prospectus, as of October 2019 the Company had sold over 4,500 bottles of medicinal cannabis oil to more than 1,400 patients in Australia. The Company now confirms that as at 31 January 2020 it has sold over 7,600 bottles of medicinal cannabis oil to more than 2,360 patients in Australia. Since January 2019, these sales comprise 6,284 units of LGP Classic 10:10, 977 units of LGP Classic 20:5 and 290 units of LGP Classic 1:20, with 3112 bottles sold between 1 November 2019 and 31 January 2020.

For personal use only

For personal use only

By order of the Board



Craig Basson
Company Secretary

