



the **Hydroponics** company

www.thcl.com.au

ASX RELEASE (24th January 2018)

Canadian Business Update

KEY POINTS

- **THC appoints professional service firms to conduct Due Diligence on a material Canadian asset**
- **Execution of the acquisition to provide increased market coverage**

The Hydroponics Company Limited (ASX:THC) (“THC”) advises that it has appointed accounting and legal advisors to commence Due Diligence on a Canadian acquisition. Upon completion of the acquisition it is anticipated that the Canadian company’s revenues will be in excess of C\$20million per annum.

The acquisition target is complimentary to the existing Crystal Mountain-Dragon Vision business and provides exposure to the rapidly growing Licenced Producers in the Eastern states of Canada.

In other Canadian developments

- CMDV is pursuing further organic growth opportunities through the addition of new agencies to the portfolio.
- CMDV has recently undertaken a significant upgrade and update to its website to better reflect this increased portfolio.

David Radford from THC states “upon completion of this acquisition THC will offer an extensive range of products for the Canadian cannabis market. This growth of the Canadian Company was identified in October as being a strategic imperative and I am pleased with the progress being made in executing this strategy”.



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If this acquisition succeeds it will complete in late April 2018.

The Company continues to look for further opportunities, both acquisitive and organic to drive growth in the Canadian market.

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About The Hydroponics Company

The Hydroponics Company (ASX: THC) is at the forefront of developing a leading, diversified worldwide cannabis business, focused on three core business units: Development and delivery of medicinal cannabis, manufacturing and distribution of hydroponics equipment, materials and nutrients, and large scale hydroponic greenhouse design and construction. With +17 years of Cannabis sativa breeding, variety selection and growth management, THC is actively developing plant breeding technology to target multiple markets for high purity cannabidiol (CBD), a new class of medicinal product that can be used to target dementia, epilepsy and other neurological disorders.