

ASX RELEASE (28 NOVEMBER 2018)

THC Global Expands into New Zealand Medicinal Cannabis Market

Key Points:

- **Strategic expansion of THC Global's international footprint into emergent NZ market**
- **Endoca CBD+CBDA Products to be imported by THC Global for sale in New Zealand**
- **Partnership with industry leading pharmaceuticals supply chain company DATAPHARM**
- **NZ Cannabidiol (CBD) product market has simple prescription process and few existing competitors – potential rapid market growth for THC Global**

THC Global Group Limited (THC Global or the Company) (ASX:THC) has secured exclusive rights to import Endoca's CBD products into New Zealand and has established a supply chain to patients through a strategic partnership with DATAPHARM.

Through its operating subsidiary in New Zealand, THC Pharma (NZ) Limited, the Company will commence the importation of Endoca's unique CBD and CBD+CBDA products from Europe.

New Zealand regulations allow prescriptions for CBD products such as those imported by THC Global to be made by doctors without Government Approval as is required under Australian regulations, which allow for access to products by a far larger patient population.

The expansion into New Zealand represents a significant step in the Company's global approach to vertically integrated revenue generation.

Market Potential in New Zealand

The Company has been advised by Endoca that they have received strong interest from over a thousand patients in New Zealand seeking their product. THC Global will seek to take advantage of this existing demand, in addition to continuing to build on its prescriber and pharmacy engagement programs to ensure that THC Global is able to build a strong prescriber, pharmacy, and patient base in New Zealand.

With the support of DATAPHARM, THC Global will also commence seeking MedSafe approval from the New Zealand government for the Endoca products which, although not required to commence supply to patients, will add further credibility and attest to the safety and quality of the already GMP certified Endoca product range.

The only other MedSafe approved cannabis-based medication in New Zealand currently costs patients \$14,000 per year. THC Global anticipates supplying Endoca CBD products to NZ patients at a substantially lower price, addressing a major barrier to patient uptake, and increasing accessibility for patients.



Favourable Regulatory Conditions

THC Global have identified New Zealand as an attractive market due to favourable regulatory conditions, as New Zealand regulations allow products with over 98% CBD such as the Endoca range to be prescribed by medical practitioners including GPs without the need for special authorisation as is required in Australia.

The Company expects that this will result in rapid revenue generating sales as the Company commences supply to patients in New Zealand. THC Pharma (NZ) is required to seek importation permits to commence importing Endoca products and is seeking those permits on an expedited basis.

Chief Executive Officer of Endoca, Henry Vincenty, commented:

“We are excited to be able to expand our collaboration with THC following their successful launch as the exclusive distributor of Endoca products in Australia. We will continue to seek further opportunities to collaborate and expand on our partnership with THC in the near term”.

THC Global Chief Executive Officer, Ken Charteris commented:

“We look forward to our first orders in New Zealand in the coming weeks as we continue to expand our global footprint in the medicinal cannabis market, both in the Asia Pacific and in North America.

“The expansion into New Zealand represents the next step in the development of THC Global as a significant participant in the global medicinal cannabis market”.

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THC Global Group Limited (ASX: THC)

THC Global operates under a 'Farm to Pharma' pharmaceutical model and is currently delivering high quality medicinal cannabis products to Australian patients through existing access schemes. Having secured both a significant growing capacity over two grow sites, and an industry-leading pharmaceuticals biomanufacturing facility with attached testing and product development laboratory, THC Global is in prime position to service both domestic patients and the export market. THC Global's commercial partners operate across four continents, supporting future international growth.

In addition to its core medicinal cannabis business, THC Global owns two Canadian companies, being Crystal Mountain Products and Vertical Canna Inc. Crystal Mountain Products operates a revenue generating global hydroponics retailer and distributor of equipment, material, and nutrients to cannabis growers and producers. Vertical Canna Inc is an investment vehicle through which THC Global intends to build, through acquisitions and strategic partnerships, a vertically integrated Canadian cannabis producer and retailer.

Endoca

Endoca's primary focus is to research and develop innovative cannabis extracts that can help to balance the human Endocannabinoid system making them accessible world-wide. Through targeting the human Endocannabinoid System many people can be helped to restore their internal balance. Endoca is dedicated to producing the finest and purest quality products like CBD oil while never compromising on quality. Endoca also produces other cannabinoids as there are over 80 different in nature.

DATAPHARM

DATAPHARM creates value by building connections between suppliers, channel partners and their mutual customers. It does this with innovative product offerings such as pharmacyEXTRA.com, introducing companies looking to import or export products into / from New Zealand and consulting to the pharmaceutical and aligned industries.