

CANN

GROUP LIMITED

ACN 603 949 739

Notice of Annual General Meeting and Explanatory Memorandum

TIME: 10.00 am (Melbourne time)

DATE: Tuesday, 24 November 2020

This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety.

If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, lawyer or other professional adviser without delay.

22 October 2020

Dear Shareholder

ANNUAL GENERAL MEETING

You are invited to the Annual General Meeting of Cann Group Limited (“Company” or “Cann Group”) to be held virtually (through an online platform) at **10.00 am (Melbourne time) on Tuesday, 24 November 2020.**

The Notice of Annual General Meeting (“Meeting”) and Explanatory Memorandum (“Notice”), and other documents and information, can be viewed and downloaded at the Company’s website at <https://investors.canngrouplimited.com/Investors/>.

The Notice contains information that is material in respect of the business of the Meeting and, accordingly, should be read in its entirety.

Both I and Mr Peter Crock (Cann Group’s Chief Executive Officer) will be making presentations at the Meeting regarding the Company’s operations.

In accordance with the provisions of the Company’s constitution as updated and approved by shareholders on 12 June 2020 and the Federal Treasurer’s determination modifying the operation of provisions of the *Corporations Act 2001* (Cth) (“Corporations Act”) and the *Corporations Regulations 2001* (Cth) under *Corporations (Coronavirus Economic Response) Determination (No. 1) 2020* to allow companies to hold meetings as virtual meetings (“Determination”), the Company has adopted the following approach for the Meeting:

1. The Meeting will be held virtually (online) via an online platform, except for those members of the Board and management who are able to attend in person in a safe and permissible manner. There will be no other physical attendance at the Meeting. This is an important health and safety measure, given we have thousands of shareholders on our share register.
2. A detailed guide on how to participate virtually is set out in the Virtual Meeting Online Guide (“Guide”). The Guide explains how to ensure your browser is compatible with the online platform, as well as a step-by-step guide to successfully log in and navigate the site. The Guide will be lodged with the ASX and is available on the Company’s website at <https://investors.canngrouplimited.com/Investors/>.

Shareholders and proxyholders will be able to log in to the online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions set out in this Notice and the Guide.

3. We encourage all shareholders and proxyholders to participate in the Meeting virtually via the online platform at <https://agmlive.link/CANAGM20>. To do this you will need a desktop or mobile/tablet device with internet access. When you log onto the online platform on the morning of the Meeting, you will need to provide your details (**including your Shareholder Reference Number (SRN) or Holder Identification Number (HIN)**) to be verified as a shareholder or proxyholder. Details of your SRN or HIN are contained in your personalised Proxy Form enclosed with this letter. Please ensure you keep these details (or a record of these details) as they are personal to you. Following this you will be given details as to how to vote and ask questions during the Meeting.
4. Once the Meeting commences at 10.00am, you will be able to listen to the chairman of the Meeting talking live and in real-time.
5. Shareholders and proxyholders will have the ability to ask questions during the Meeting via the online platform, and to hear all of the discussion, subject to connectivity of their devices.

6. In addition to the above, shareholder/proxyholder participation (as relevant) is possible by shareholders lodging the Proxy Form electronically at Cann Group's Share Registry at www.linkmarketservices.com.au or, alternatively, returning it in the envelope provided or faxed to Cann Group's Share Registry on **02 9287 0309 (within Australia)** or **+61 2 9287 0309 (outside Australia)**, so that it is received by **10.00am (Melbourne time) on Sunday, 22 November 2020**, in order to be valid. In addition to the enclosed personalised Proxy Form, the Proxy Form is also available on the Company's website at <https://investors.canngrouplimited.com/Investors/>.
7. In accordance with the Determination and the Company's constitution, each resolution considered at the Meeting will be decided on a poll.

As the situation regarding the management of COVID-19 continues to evolve, shareholders are encouraged to monitor the Cann Group website for any further updates in relation to the arrangements for the Meeting. Cann Group appreciates the understanding of shareholders during this difficult time. We look forward to your virtual attendance and participation at the Meeting.

Your continued support is greatly appreciated.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Allan McCallum', followed by a period.

Allan McCallum AO
Chairman

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Cann Group Limited ABN 25 603 949 739 ("Company") will be held at **10.00 am (Melbourne time) on Tuesday, 24 November 2020** to transact the business set out below.

Shareholders should refer to the accompanying Explanatory Memorandum for further information concerning the special business to be transacted at this Annual General Meeting.

Business of the Annual General Meeting

1. Financial Statements and Reports

To receive the financial report, directors' report and auditor's report for the Company and its controlled entities for the financial year ended 30 June 2020.

(Please note that no resolution will be required to be passed on this matter and there is no requirement for shareholders to approve these reports).

2. Adoption of Remuneration Report

To consider and, if thought fit, to pass the following non-binding advisory resolution as an ordinary resolution:

"That, pursuant to and in accordance with section 250R(2) of the Corporations Act, the Remuneration Report for the financial year ending 30 June 2020 as set out in pages 19 to 25 (inclusive) of the Annual Report be adopted."

(Please note that this resolution is advisory only and does not bind the Company or the Directors).

(Refer to How To Vote section for Voting Exclusions applying to this resolution).

3. Re-election of Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Mr Geoffrey Ronald Pearce, a Director who retires from office in accordance with Rule 50.2 of the Company's Constitution and being eligible for re-election, be re-elected a Director of the Company."

4. Re-election of Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Ms Jennifer Lee Pilcher, a Director who was appointed to fill a casual vacancy in accordance with Rule 49.1 of the Company's Constitution until this Annual General Meeting and being eligible for re-election, be re-elected a Director of the Company."

5. Approval of issue of New Shares to CSIRO

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.1, Shareholders approve the issue to the Commonwealth Scientific and Industrial Research Organisation (CSIRO) up to a maximum of 90,000 fully paid ordinary shares in the capital of the Company pursuant to the terms and conditions of the Share Purchase Agreement in relation to the provision of research and development services to the Company from CSIRO under the Research Services Agreement during the quarter ending on 30 September 2020."

(Refer to How To Vote section for Voting Exclusions applying to this resolution).

6. Approval of Long-Term Incentive Plan

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That pursuant to and in accordance with Listing Rule 7.2 (Exception 13) and sections 259B(2) and 260C(4) of the Corporations Act, the Cann Group Limited 2020 Long-Term Incentive Plan ("Long-Term Incentive

Plan"), and the grant of and issue of all securities under the Long-Term Incentive Plan on the terms and conditions set out in the Explanatory Statement, are approved."

(Refer to How To Vote section for Voting Exclusions applying to this resolution).

7. Approval of Employee Share Contribution Plan

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That pursuant to and in accordance with Listing Rule 7.2 (Exception 13) and sections 259B(2) and 260C(4) of the Corporations Act, the Cann Group Employee Share Contribution Plan ("Employee Share Contribution Plan"), and the grant of and issue of all securities under the Employee Share Contribution Plan on the terms and conditions set out in the Explanatory Statement, are approved."

(Refer to How To Vote section for Voting Exclusions applying to this resolution).

8. Approval of Employee Share Gift Plan

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That pursuant to and in accordance with Listing Rule 7.2 (Exception 13) and sections 259B(2) and 260C(4) of the Corporations Act, the Cann Group Employee Share Gift Plan ("Employee Share Gift Plan"), and the grant of and issue of all securities under the Employee Share Gift Plan on the terms and conditions set out in the Explanatory Statement, are approved."

(Refer to How To Vote section for Voting Exclusions applying to this resolution).

9. Approval of additional 10% placement capacity for 12 months

To consider and, if thought fit, to pass the following resolution as a special resolution:

"That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities, as that term is defined in the Listing Rules, totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2."

(Refer to How To Vote section for Voting Exclusions applying to this resolution).

By Order of the Board



**Geraldine Farrell
Company Secretary
22 October 2020**

HOW TO PARTICIPATE AND VOTE

Voting entitlement

The Board of Directors of the Company ("Board") has determined in accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) ("Corporations Regulations") that for the purpose of voting at the Annual General Meeting, shares will be taken to be held by those persons who hold them at **7.00pm (Melbourne time) on Sunday, 22 November 2020**. This means that if you are not the registered holder of a share at that time you will not be entitled to vote at the Annual General Meeting ("Meeting") in respect of that share.

Virtual Attendance at the Annual General Meeting

Due to health concerns and the current government imposed restrictions on public gatherings arising from the COVID-19 pandemic, shareholders and proxyholders will not be able to attend the Meeting in person.

The Federal Treasurer has made a determination modifying the operation of provisions of the *Corporations Act 2001* (Cth) ("Corporations Act") and the Corporations Regulations under *Corporations (Coronavirus Economic Response) Determination (No. 1) 2020* ("Determination") to allow companies who are required or permitted to hold meetings to hold those meetings remotely as virtual meetings, instead of in person. On 12 June 2020, the Company amended its constitution ("Constitution") by, amongst other changes, updating its provisions to align with Part 2 of the Determination.

As a consequence of this Determination and amendments to the Constitution, the Meeting will be held virtually via an online platform, except for those members of the Board (including the Chairman of the Meeting ("Chairman")) and management who are able to attend in person in a safe and permissible manner. There will be no physical attendance at the Meeting. This is an important health and safety measure, given the Company has thousands of shareholders on its share register.

The Meeting will be audio live (not visual) for participation by shareholders and proxyholders via the online platform at <https://agmlive.link/CANAGM20>. To participate you will need a desktop or mobile/tablet device with internet access. When you log onto the online platform at <https://agmlive.link/CANAGM20> on the morning of the Meeting, you will need to provide your details (including your Shareholder Reference Number (SRN) or Holder Identification Number (HIN)) to be verified as a shareholder or proxyholder. Proxyholders will need their login details which will be provided by Link Market Services no later than 24 hours before the Meeting. Following this you will be given details as to how to vote and ask questions during the Meeting.

More information about how to use the online platform (including how to vote and ask questions online during the Meeting) is available in the Virtual Meeting Online Guide ("Guide"), which has been lodged with the ASX and is available at <https://investors.canngrouplimited.com/Investors/>. If you intend to use the online platform, we recommend that you test to see that it works on your device before the Meeting commencement at 10.00am. Shareholders and proxyholders will be able to log in to the online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions set out in the Notice and the Guide.

Further instructions on device configurations are provided in the Guide, which is available on the Company's website at <https://investors.canngrouplimited.com/Investors/>.

Additional information about the proposed items of special business is set out in the Explanatory Memorandum that accompanies and forms part of this Notice of Annual General Meeting ("Notice").

Discussion will take place on all items of special business to be considered at the Meeting. Shareholders and proxyholders will have a reasonable opportunity to ask questions in respect of the special business of the Meeting during the Meeting via the online platform. To ensure that as many shareholders and proxyholders as possible have the opportunity to speak, shareholders and proxyholders are requested to observe the following requests:

- shareholder and proxyholder questions should be stated clearly and should be relevant to the special business of the Meeting; and

- shareholders and proxyholders should not ask questions at the Meeting relating to any matters that are personal to the relevant shareholder or commercial in confidence or not relevant to the special business of the Meeting.

All Resolutions will be determined by Poll

In accordance with the Determination and the Constitution, each resolution considered at the Meeting will be decided by a poll.

Voting via online platform – During the Meeting

Shareholders and other representatives entitled to participate in the Meeting via the online platform will be able to vote directly at any time between the start of the Meeting at 10.00am (Melbourne time) and the closure of voting as announced by the Chairman during the Meeting.

Voting by Proxy

If a shareholder is unable to participate virtually and vote at the Meeting, they are entitled to appoint a proxy to attend virtually and vote on their behalf. To do so, they can appoint the Chairman as their proxy or insert the name of their alternative proxy in the space provided in the enclosed Proxy Form. You can direct your proxy to vote for or against, or abstain from voting on, a resolution by marking '**For**', '**Against**' or '**Abstain**' for the item of special business in the appropriate box in the enclosed Proxy Form.

The Proxy Form is available on the Company's website at <https://investors.canngrouplimited.com/Investors/>.

The following applies in terms of proxy appointments:

- a proxy need not be a shareholder, and may be an individual or a body corporate. If a body corporate is appointed as a proxy, it must ensure that it appoints an individual as its corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the Meeting;
- a shareholder entitled to cast two or more votes may appoint two proxies; and
- where two proxies are appointed, each proxy may be appointed to represent a specified proportion of the shareholder's voting rights. If a shareholder appoints two proxies and the appointment does not specify the proportion or number of the shareholder's votes each proxy may exercise, each proxy may exercise half of that shareholder's votes.

As noted earlier, Link Market Services will contact proxyholders at least 24 hours prior to the start of the Meeting to provide them with the proxyholder login information that they will need to enter into the online platform.

Directed and Undirected Proxies

If you choose to appoint a proxy, the Board encourages you to direct your proxy how to vote on each resolution, by marking either '**For**', '**Against**' or '**Abstain**' for the item of special business on the Proxy Form.

If you sign the enclosed Proxy Form and do not appoint the Chairman or specify an individual or body corporate as your proxy, you will have appointed the Chairman as your proxy by default. In that case, your shares will be voted on the proposed resolutions in accordance with your directions on the Proxy Form.

If you do not direct the Chairman how to vote your shares, the Chairman will vote undirected proxies on, and in favour of, all of the proposed resolutions set out in this Notice. Where the Chairman is appointed as your proxy, you will be taken to have expressly authorised the Chairman to cast your votes on all of the proposed resolutions set out in the Notice.

You may appoint the Chairman as your proxy by nominating him in the Proxy Form. If you return your Proxy Form but do not nominate the identity of your proxy, the Chairman will automatically be your proxy. If you return your Proxy Form but your nominated proxy does not virtually attend the Meeting, then your proxy will revert to the Chairman. As each resolution will be determined on a poll, if your nominated proxy is either not recorded as virtually attending the Meeting or does not vote on the resolution, the Chairman is taken, before voting on the resolution closes, to have been appointed as your proxy for the purposes of voting on the resolution.

If you do not direct the Chairman how to vote your shares, the Chairman intends to vote undirected proxies in favour of each item of special business.

To vote by proxy, please complete and sign the enclosed Proxy Form and return in accordance with the instructions set out on the Proxy Form. Completed Proxy Forms must be received by the Company's Share Registry by **10.00am (Melbourne time) on Sunday, 22 November 2020**.

Lodging your Proxy Form

A Proxy Form is enclosed in this Notice. For the appointment of a proxy to be effective for the Meeting, the following documents must be received no later than 48 hours before the scheduled time for the Meeting; that is by **10.00am (Melbourne time) on Sunday, 22 November 2020**:

- the enclosed Proxy Form; and
- if the enclosed Proxy Form is signed by the appointor's attorney - the authority under which the appointment was signed or a certified copy of the authority.

Documents may be lodged online, by posting, delivery or facsimile to the Company's Share Registry at:

Link Market Services Limited

Online: www.linkmarketservices.com.au

By Post:

Cann Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

Delivery to Link Market Services Limited*:

1A Homebush Bay Drive
Rhodes NSW 2138
or
Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9.00am-5.00pm)

Facsimile:

(+61 2) 9287 0309

If you have any queries and wish to contact Link Market Services Limited, please call (+61) 1300 554 474.

Shareholders should consider lodging the Proxy Form electronically at Cann Group's Share Registry at **www.linkmarketservices.com.au** or, alternatively, returning it in the envelope provided or faxed to Cann Group's Share Registry on **02 9287 0309 (within Australia)** or **+61 2 9287 0309 (outside Australia)**, so that it is received by **10.00am (Melbourne time) on Sunday, 22 November 2020**, in order to be valid.

Bodies corporate

A body corporate may appoint an individual as its representative to exercise all or any of the powers the body corporate may exercise at the Meeting. The appointment may be a standing one. Unless otherwise specified in the appointment, the representative may exercise, on the body corporate's behalf, all of the powers that the body corporate could exercise at the Meeting or in voting on a resolution. Unless it has previously been given to the Company, the representative should provide a "Certificate of Appointment of Corporate Representative" to the Company's share registry by emailing that certificate to vote@linkmarketservices.com.au no later than 48 hours before the scheduled time for the Meeting; that is by **10.00am (Melbourne time) on Sunday, 22**

November 2020. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au. The appointment must comply with Section 250D of the Corporations Act.

Attorneys

A shareholder may appoint an attorney to vote on their behalf. To be effective for the Meeting, the instrument effecting the appointment (or certified copy of it) must be received no later than 48 hours before the scheduled time for the Meeting; that is by **10.00am (Melbourne time) on Sunday, 22 November 2020**.

VOTING EXCLUSION STATEMENTS

Item 2 – Adoption of Remuneration Report

The Company will disregard any votes cast in favour of the resolution by or on behalf of a member of the Key Management Personnel or any Associate of such a Key Management Personnel.

Item 5 – Approval of issue of New Shares

The Company will disregard any votes cast in favour of this resolution by, or on behalf of:

- (a) any person who is expected to participate in, or who will obtain a material benefit as a result of, the issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
- (b) an Associate of those persons.

Item 6 – Approval of Long-Term Incentive Plan

The Company will disregard any votes cast in favour of this resolution by or on behalf of:

- (a) an Eligible Employee, but excluding all non-executive Directors who are ineligible to participate in the Long-Term Incentive Plan; and
- (b) an Associate of such an Eligible Employee.

Item 7 – Approval of Employee Share Contribution Plan

The Company will disregard any votes cast in favour of this resolution by or on behalf of:

- (a) an Eligible Employee, but excluding all Directors who are ineligible to participate in the Employee Share Contribution Plan); and
- (b) an Associate of such an Eligible Employee.

Item 8 – Approval of Employee Share Gift Plan

The Company will disregard any votes cast in favour of this resolution by or on behalf of:

- (a) an Eligible Employee, but excluding all Directors who are ineligible to participate in the Employee Share Gift Plan); and
- (b) an Associate of such an Eligible Employee .

Item 9 – Approval of 10% placement capacity for 12 months

In accordance with the Listing Rules, the Company is required to disregard any votes cast in favour of this resolution by any person who is expected to participate in the issue of equity securities under this resolution and any person who will obtain a material benefit, except a benefit solely in the capacity of a holder of ordinary securities in the Company, if this resolution is passed, and any Associates of those persons. However as at this time the Company has no proposal to issue any securities under Listing Rule 7.1A.2, no persons are excluded.

Voting exclusion to not apply

The voting exclusions set out above for each resolution do not apply to a vote cast in favour of the resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the Chairman as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following criteria are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Key Management Personnel as proxies

In accordance with section 250BD of the Corporations Act, a vote on the following resolutions must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such a Key Management Personnel, unless that proxy specifies the way the proxy is to vote on the resolution:

Item 2 – Adoption of Remuneration Report

Item 6 – Approval of Long-Term Incentive Plan

Item 7 – Approval of Employee Share Contribution Plan

Item 8 – Approval of Employee Share Gift Plan

Definitions

For the purposes of this voting exclusion statement:

- (a) "Associate" has the meaning set out in Chapter 19 of the Listing Rules;
- (b) "Eligible Employee" means an "eligible participant" in relation to the Company or an "associated body corporate" as those terms are defined in ASIC Class Order CO 14/1000;
- (c) "Key Management Personnel" are the Directors and those other persons who have authority and responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly, as listed in the Remuneration Report for the year ended 30 June 2020; and
- (d) a "Closely Related Party" of such a Key Management Personnel means:
 - a spouse or child of such a Key Management Personnel;
 - a child of such a Key Management Personnel;
 - a dependent of such a Key Management Personnel or of the spouse such a Key Management Personnel; or
 - a company such a Key Management Personnel controls.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum, which accompanies and forms part of the Notice of Annual General Meeting of Cann Group Limited ("Company"), has been prepared to assist shareholders of the Company and any of their appointed representatives ("Shareholders") with their consideration of the resolutions set out in the Notice of Annual General Meeting dated 22 October 2020 ("Notice").

Background

Item 1 - Financial Statements and Reports

During this item there will be a reasonable opportunity for Shareholders to ask questions and comment on the financial report, directors' report, auditor's report for the Company and its controlled entities for the financial year ended 30 June 2020, and on the business, operations and management of the Company. No resolution will be required to be passed on this matter.

Further, in accordance with section 250PA of the *Corporations Act 2001* (Cth) ("Corporations Act"), a Shareholder who is entitled to cast a vote at the Company's Annual General Meeting ("Meeting") may submit a written question to the Company's auditor if the question is relevant to:

- (a) the content of the auditor's report; or
- (b) the conduct of the audit of the financial report,

by giving the question to the Company by no later than **Sunday, 22 November 2020**. The auditor will then compile the questions relevant to the content of the auditor's report or the conduct of the audit of the financial report into a question list. At or before the start of the Meeting, the Company will make the question list reasonably available to the Shareholders attending the Meeting.

Shareholders who have not elected to receive a hard copy of the Company's 2020 Annual Report ("Annual Report") can view or download it from the Company's website at <https://investors.canngrouponlimited.com/investors/?page=annual-reports>.

Item 2 - Adoption of Remuneration Report

The Remuneration Report for the year ended 30 June 2020 is set out in the Annual Report.

Pursuant to section 250R(2) of the Corporations Act, a resolution that the Company's 2020 Remuneration Report as set out in pages 19 to 25 (inclusive) of the Annual Report ("Remuneration Report") be adopted must be put to the vote at the Company's Annual General Meeting. The vote on the proposed resolution is advisory only and does not bind the Company or the Company's Board of Directors ("Board"). However, the Board will take the outcome of the vote into consideration when reviewing the Company's remuneration practices and policies.

Pursuant to the Corporations Act, if 25% or more votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGM's, Shareholders will be required to vote at the second of those AGM's on a resolution (a "spill resolution") to decide whether a general meeting of Shareholders is to be held within 90 days of the date of that AGM to consider the election of the Company's directors ("Directors"). If a spill resolution is passed (that is, more than 50% if votes cast in favour), all of the Directors will cease to hold office at the end of that general meeting, unless re-elected at that meeting.

During this item there will be a reasonable opportunity for Shareholders at the meeting to comment on and ask questions about the Remuneration Report.

The Chairman of the Meeting ("Chairman") intends to vote undirected proxies in favour of the adoption of the Remuneration Report.

Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in FAVOUR of adopting the Remuneration Report.

Item 3 Re-election of Director

Mr Pearce was appointed as a Director on 11 April 2016 and subsequently re-elected as a Director by Shareholders at the 2017 Annual General Meeting and is required to retire from office under the Company's Constitution ("Constitution"). Being eligible, he has offered himself for re-election and is seeking re-election by Shareholders at this Meeting. His biographical details are set out below:

Geoffrey Ronald Pearce

Geoff is a successful entrepreneur and businessman with more than 40 years of experience in the personal care industry. He established and owned Scental Pacific Pty Ltd and grew the business to become Victoria's largest manufacturer of personal care products before selling it to the Smorgon Family. He later built a contract manufacturing business, Beautiworx Australia Pty Ltd, which was also sold. Geoff currently owns The Continental Group, which supplies pharmaceutical packaging and raw materials and has developed alliances with some of the world's leading herbal extract manufacturers. He has extensive experience in areas including manufacturing, procurement, distribution and regulatory affairs. He held the role of Chairman of Probiotec Ltd (ASX PBP) from November 2016 until 30 June 2020 and has been a Director of McPherson's Limited (ASX MCP) since 20 February 2018.

The Chairman intends to vote undirected proxies in favour of the re-election of Mr Pearce.

Directors' Recommendation

The Directors (other than Mr Pearce) recommend that Shareholders vote in FAVOUR of the re-election of Mr Pearce.

Item 4 - Re-election of Director

Ms Pilcher was appointed as a Director on 8 September 2020 to fill a casual vacancy on the Board. Pursuant to the Company's Constitution, Ms Pilcher is eligible for re-election at the Meeting. Being eligible, she has offered herself for re-election and is seeking re-election by Shareholders at this Annual General Meeting. Her biographical details are set out below:

Jennifer Lee Pilcher, CA, AGIA, ACIS, BBS

Ms Pilcher has over 13 years of senior executive experience in the medical and biotechnology sectors and is currently the Chief Financial Officer and Company Secretary of Mach7 Technologies (ASX:M7T). She has previously held executive roles with Alchemia Limited (ASX:ACL) and Mesoblast Limited (ASX:MSB). Jenni is a member of Chartered Accountants Australia & New Zealand, a Graduate of the Governance Institute of Australia, and has a Bachelor of Business Studies (majoring in accounting) from Massey University in New Zealand.

The Chairman of the Meeting intends to vote undirected proxies in favour of the re-election of Ms Pilcher.

Directors' Recommendation

The Directors (other than Ms Pilcher) recommend that Shareholders vote in FAVOUR of the re-election of Ms Pilcher.

Item 5 – Approval of issue of New Shares to CSIRO

The Company entered into a Research Services Agreement ("Research Services Agreement") and a Share Purchase Agreement with Commonwealth Scientific and Industrial Research Organisation ('CSIRO'). 50% of the quarterly invoice amounts (exclusive of GST) for research and development services provided to the Company by CSIRO under the Research Services Agreement are to be settled by the Company issuing new fully paid ordinary shares in the capital of the Company ("New Shares") to CSIRO under the Share Purchase Agreement and the balance settled by cash.

Pursuant to the Share Purchase Agreement, upon receipt of an invoice from CSIRO in respect of the quarter ending on 30 September 2020, the Company will have to issue New Shares to CSIRO for that quarter. The issue price per New Share will be \$0.42. Given the Company has not as yet received the invoice for that quarter, it is

not possible at this time to determine the exact number of New Shares to be issued to CSIRO. However, since 50% of the invoice fee (exclusive of GST) will not exceed a maximum amount of \$70,000, the maximum number of New Shares to be issued to CSIRO is 166,666.

The actual number of the New Shares to be issued to CSIRO will be determined in accordance with the formula specified in the Share Purchase Agreement, details of which are set out below.

ASX Listing Rule ("Listing Rule") 7.1 limits the amount of equity securities that a listed company can issue without the approval of its Shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period, subject to certain exceptions. The issue of the New Shares to CSIRO will not fit within any of these exceptions.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval under Listing Rule 7.1.

To this end, Resolution 5 seeks Shareholder approval of the issue of the New Shares to CSIRO under and for the purposes of Listing Rule 7.1.

If Resolution 5 is passed, the issue of the New Shares to CSIRO can proceed without impacting the Company's future capacity to issue equity securities without Shareholder approval.

If Resolution 5 is not passed, the issue of the New Shares to CSIRO can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue of the New Shares to CSIRO. To the extent that the Company may wish to undertake any further capital raising in the future, such a capital raising may need to be reduced so as to allow for the issue of the New Shares to CSIRO within the limit under Listing Rule 7.1, or alternatively delayed while Shareholder approval is sought. Any reduction in capacity or delay could harm the Company's ability to raise equity funds as and when required.

In accordance with Listing Rule 7.3, the following information is set out below:

- (a) the New Shares will be issued to CSIRO;
- (b) the New Shares to be issued will be fully paid ordinary shares in the capital of the Company
- (c) the maximum number of New Shares to be issued is 166,666^[1];
- (d) the New Shares will be issued to CSIRO following receipt of its invoice for the quarter ending 30 September 2020 and no later than 3 months after the date of this Meeting;
- (e) the New Shares will be issued at \$0.42 per Share;
- (f) the New Shares will be issued as fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing fully paid ordinary shares ("Shares") on issue;
- (g) no funds will be raised from the issue of the New Shares – pursuant to the Share Purchase Agreement, 50% of the invoice amount (exclusive of GST) in respect of the quarter ending 30 September 2020, for research and development services provided to the Company by CSIRO under the Research Services Agreement, will be settled by the Company issuing New Shares to CSIRO and the balance settled by cash;
- (h) a summary of the other material terms of the Share Purchase Agreement is set out above and below;
- (i) a voting exclusion statement is included in the Notice.

Note ^[1] Under the Research Services Agreement, CSIRO issues a tax invoice for its fee for its services to the Company in respect of a quarter. Under the Share Purchase Agreement, 50% of the invoiced fee (exclusive of GST) in respect of that quarter is payable in Shares, and the number of New Shares is determined in accordance with the following formula:

$$NS = \frac{SP}{VWAP}$$

where:

- NS** is the number of New Shares to be issued by the Company to CSIRO in respect of the relevant quarter;
- SP** is the subscription price, being 50% of the invoice amount (exclusive of GST) in respect of the relevant quarter; and
- VWAP** is the arithmetic average of the 10 daily volume weighted average market price (rounded to the nearest cent) for all Shares sold through a Normal Trade on the ASX automated trading system during the 10 days ending on the third Business Day prior to the last day of the relevant quarter.

In respect of the quarter ending on 30 September 2020, 50% of the invoice fee (exclusive of GST) will be settled by the Company with the issue of the New Shares. The “SP” (the subscription price) in the formula above, being 50% of the invoice fee (exclusive of GST), in respect of each quarter ending on 30 September 2020 will not exceed a maximum of \$70,000. Accordingly, the SP will be an amount of up to a maximum amount of \$70,000, in respect of that quarter.

As noted earlier, in respect of the quarter ending on 30 September 2020, the issue price per New Share will be \$0.42, being the “VWAP” in the formula above for that quarter. Consequently, and given the maximum amount of \$70,000 for that quarter, the maximum number of New Shares to be issued to CSIRO is 166,666.

The Chairman intends to vote undirected proxies in favour of Resolution 5.

Directors’ Recommendation

The Directors unanimously recommend that Shareholders vote in FAVOUR of Resolution 5.

Item 6 - Approval of Long-Term Incentive Plan

This resolution seeks Shareholder approval of the Cann Group Limited 2020 Long-Term Incentive Plan (“LTIP”) for the purposes of Listing Rule 7.2, Exception 13 and the Corporations Act.

Under the LTIP, the Board may offer to Eligible Employees (which excludes non-executive Directors) the opportunity to be granted Performance Rights and issued (or transferred) Shares in satisfaction of those Performance Rights. The terms of the LTIP are summarised (including relevant definitions) in Schedule 1. In addition, a copy of the LTIP is available for review by Shareholders by contacting the Company using the email address contact@canngrouponlimited.com before the close of business on the day prior to the date of the Meeting; i.e. by **5.00pm (Melbourne time) on Monday, 23 November 2020**. Shareholders are otherwise invited to contact the Company if they have any queries or concerns.

The purpose of the LTIP is to ensure that the Company has appropriate mechanisms to continue to attract, motivate and retain the services of employees of a high calibre and to improve the longer-term performance of the Company. The LTIP is designed to align the remuneration of the participants in the LTIP with the long-term interests of the Shareholders. The alignment of interests is important in ensuring that participants in the LTIP are focused on achieving particular milestones, as determined by the Board, while the Company is able to attract and retain the best employees.

The Board, as advised by the Company’s Remuneration Committee, will seek to ensure that the granting of Performance Rights to participants under the LTIP is made at levels that will appropriately position their total remuneration in the market to ensure remuneration remains reasonable and is appropriate having regard to the circumstances of Company.

Listing Rule 7.1 and 7.2

Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period without Shareholder approval. Listing Rule 7.2, Exception 13, operates as an exception to Listing Rule 7.1.

If this resolution is passed, the Company will be able to grant Performance Rights and issue or transfer the associated underlying Plan Shares under the LTIP to Participants under Exception 13 of ASX Listing Rule 7.2 i.e. without using up any of the Company’s 15% limit on issuing equity securities without shareholder approval under Listing Rule 7.1. Approval under Listing Rule 7.2, Exception 13 lasts for a period of 3 years. The Directors believe

this will provide the Company with the flexibility necessary to issue incentives to employees without being concerned that such issues will impact on its ability raise additional capital as and when appropriate. If the resolution is not passed, the Company can still grant Performance Rights and issue or transfer associated underlying Plan Shares under the LTIP but this will reduce, to that extent, the Company's 15% limit on issuing equity securities without shareholder approval under Listing Rule 7.1.

Accordingly, Shareholders are asked to approve the LTIP, including the issue or transfer of any Shares that are able to be allocated that result from the vesting of any of the performance rights, in accordance with the terms of the LTIP under Exemption 13(b) of Listing Rule 7.2.

Specific information required by Listing Rule 7.2

In accordance with the requirements of Listing Rule 7.2, Exception 13(b), the following information is provided:

- (a) a summary of the material terms of the LTIP is set out in Schedule 1 and form part of the Notice;
- (b) no securities have been issued under this scheme;
- (c) if the LTIP is approved by Shareholders, the maximum number of Performance Rights (and ultimately Shares) proposed to be issued under the LTIP, together with any equity securities proposed to be issued under the Employee Share Contribution Plan and the Employee Share Gift Plan (the details of which are set out in relation to Items 7 and 8 respectively in this Notice) or any other employee incentive plan of the Company over the next 3 year period, will not exceed 5% of the total Shares on issue at the particular time, which at this time is no more than 13,495,518 Shares; and
- (d) a voting exclusion statement in respect of this resolution has been included in the Notice.

Approval for the purposes of the Corporations Act – Financial Assistance

Section 260A of the Corporations Act provides that a company may financially assist a person to acquire shares in the company or a holding company of the company only if:

- (a) giving the assistance does not materially prejudice:
 - (i) the interests of the company or its shareholders; or
 - (ii) the company's ability to pay its creditors; or
- (b) the assistance is approved by shareholders under section 260B; or
- (c) the assistance is exempted under section 260C.

Section 260C of the Corporations Act provides for certain specific instances of exempted financial assistance, including a special exemption for employee share schemes that have been approved by a resolution passed at a general meeting of the company (section 260C(4)).

It is possible that administration of the LTIP on behalf of participants under the LTIP could be determined to be the provision of financial assistance by the Company for the purposes of section 260A.

Whilst the Directors do not believe that the provision of this financial assistance will materially prejudice the interests of the Company or its shareholders or the Company's ability to pay its creditors, the Directors have recommended that the shareholders approve the LTIP to ensure that the LTIP qualifies for the special exemption under section 260C(4) of the Corporations Act.

Approval for the purposes of the Corporations Act – Taking security

Section 259B of the Corporations Act provides that a company may not take security over its own shares.

Section 259B(2) of the Corporations Act includes a special exemption to the basic rule that a company may not take security over its own shares for employee share schemes that have been approved by a resolution passed at a general meeting of the company.

It is possible that administration of the LTIP on behalf of participants under the LTIP could be determined to be the Company taking security over its own shares for the purposes of section 260A.

Accordingly, the Directors have recommended that the shareholders approve the LTIP to ensure that the LTIP qualifies for the special exemption under section 259B(2) of the Corporations Act.

The Chairman intends to vote undirected proxies in favour of this resolution.

Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in FAVOUR of this resolution.

Item 7 - Approval of Employee Share Contribution Plan

This resolution seeks Shareholder approval of the Employee Share Contribution Plan ("ESCP") for the purposes of ASX Listing Rule 7.2, Exception 13 and the Corporations Act.

Under the ESCP, the Board may offer to Eligible Employees (which excludes Directors) the opportunity to acquire Shares and be granted associated Matching Rights. The key terms of the ESCP (including relevant definitions) are set out in Schedule 2. In addition, a copy of the ESCP is available for review by Shareholders by contacting the Company using the email address contact@canngrouplimited.com before the close of business on the day prior to the date of the Meeting; i.e. by **5.00pm (Melbourne time) on Monday, 23 November 2020**. Shareholders are otherwise invited to contact the Company if they have any queries or concerns.

The purpose of the ESCP is to attract, motivate and retain Eligible Employees by allowing them to acquire Shares without incurring brokerage and other costs. The purpose is also to provide an incentive via the Matching Rights for Eligible Employees to remain with the Company. The intended result is to align the interests of the Company and Eligible Employees.

Listing Rule 7.1 and 7.2

Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period without Shareholder approval. Listing Rule 7.2, Exception 13, operates as an exception to Listing Rule 7.1.

If this resolution is passed, the Company will be able to issue (or transfer) Shares and grant associated Matching Rights under the ESCP to participants under Exception 13 of Listing Rule 7.2 i.e. without using up any of the Company's 15% limit on issuing equity securities without shareholder approval under Listing Rule 7.1. Approval under Listing Rule 7.2, Exception 13 lasts for a period of 3 years. The Directors believe this will provide the Company with the flexibility necessary to issue incentives to employees without being concerned that such issues will impact on its ability raise additional capital as and when appropriate. If the resolution is not passed, the Company can still issue or transfer Shares and granted associated Matching Rights under the ESCP but this will reduce, to that extent, the Company's 15% limit on issuing equity securities without shareholder approval under Listing Rule 7.1.

Accordingly, Shareholders are asked to approve the ESCP, including the issue or transfer of any Shares in accordance with the terms of the ESCP under Exception 13(b) in Listing Rule 7.2.

Specific information required by Listing Rule 7.2

In accordance with the requirements of Listing Rule 7.2, Exception 13(b), the following information is provided:

- (a) a summary of the material terms of the ESCP is set out in Schedule 2 and form part of the Notice;
- (b) no securities have been issued under this scheme;
- (c) the maximum number of Matching Rights (and ultimately Shares in satisfaction of those Matching Rights) proposed to be issued under the ESCP following Shareholder approval, together with any equity securities proposed to be issued under the LTIP and the Employee Share Gift Plan (the details of which are set out in relation to Items 6 and 8 respectively in this Notice) or any other employee incentive plan of the Company over the next 3 year period, will not exceed 5% of the total Shares on issue at the particular time, which at this time is no more than 13,495,518 Shares; and
- (d) a voting exclusion statement in respect of this resolution has been included in the Notice.

Approval for the purposes of the Corporations Act – Financial Assistance

Section 260A of the Corporations Act provides that a company may financially assist a person to acquire shares in the company or a holding company of the company only if:

- (a) giving the assistance does not materially prejudice:
 - (i) the interests of the company or its shareholders; or
 - (ii) the company's ability to pay its creditors; or
- (b) the assistance is approved by shareholders under section 260B; or
- (c) the assistance is exempted under section 260C.

Section 260C of the Corporations Act provides for certain specific instances of exempted financial assistance, including a special exemption for employee share schemes that have been approved by a resolution passed at a general meeting of the company (section 260C(4)).

It is possible that administration of the ESCP on behalf of participants under the ESCP could be determined to be the provision of financial assistance by the Company for the purposes of section 260A.

Whilst the Directors do not believe that the provision of this financial assistance will materially prejudice the interests of the Company or its shareholders or the Company's ability to pay its creditors, the Directors have recommended that the shareholders approve the ESCP to ensure that the ESCP qualifies for the special exemption under section 260C(4) of the Corporations Act.

Approval for the purposes of the Corporations Act – Taking security

Section 259B of the Corporations Act provides that a company may not take security over its own shares.

Section 259B(2) of the Corporations Act includes a special exemption to the basic rule that a company may not take security over its own shares for employee share schemes that have been approved by a resolution passed at a general meeting of the company.

It is possible that administration of the ESCP on behalf of participants under the ESCP could be determined to be the Company taking security over its own shares for the purposes of section 260A.

Accordingly, the Directors have recommended that the shareholders approve the ESCP to ensure that the ESCP qualifies for the special exemption under section 259B(2) of the Corporations Act.

The Chairman intends to vote undirected proxies in favour of this resolution.

Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in FAVOUR of this resolution.

Item 8 - Approval of Employee Share Gift Plan

This resolution seeks Shareholder approval of the Employee Share Gift Plan ("ESGP") for the purposes of Listing Rule 7.2, Exception 13 and the Corporations Act.

Under the ESGP, the Board may offer to Eligible Employees (which excludes Directors) the opportunity to be granted Shares for free. A summary of the key terms of the ESGP (including relevant definitions) is set out on Schedule 3. In addition, a copy of the ESGP is available for review by Shareholders by contacting the Company using the email address contact@canngrouponlimited.com before the close of business on the day prior to the date of the Meeting; i.e. by **5.00pm (Melbourne time) on Monday, 23 November 2020**. Shareholders are invited to contact the Company if they have any queries or concerns.

The purpose of the Employee Share Gift Plan is to reward employees with a gift of Shares up to the maximum value (currently \$1,000 per annum) which is tax-free. This is particularly relevant to employees who may not otherwise have the available funds to acquire Shares otherwise and allows them to be aligned as Shareholders as well. Pursuant to the relevant tax rules, the Shares gifted will be held by a trustee until the employee leaves employment with the Company or three years has passed.

Listing Rule 7.1 and 7.2

Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period without Shareholder approval. Listing Rule 7.2, Exception 13, operates as an exception to Listing Rule 7.1.

If this resolution is passed, the Company will be able to issue or transfer Participant Shares under the ESGP to participants under Exception 13 of Listing Rule 7.2 i.e. without using up any of the Company's 15% limit on issuing equity securities without shareholder approval under Listing Rule 7.1. Approval under Listing Rule 7.2, Exception 13 lasts for a period of 3 years. The Directors believe this will provide the Company with the flexibility necessary to issue incentives to employees without being concerned that such issues will impact on its ability raise additional capital as and when appropriate. If the resolution is not passed, the Company may still issue or transfer Participant Shares under the ESGP but to this will reduce, to that extent, the Company's 15% limit on issuing equity securities without shareholder approval under Listing Rule 7.1.

Accordingly, Shareholders are asked to approve the ESGP, including the issue or transfer of any Participant Shares in accordance with the terms of the ESGP under Exception 13(b) of Listing Rule 7.2.

Specific information required by Listing Rule 7.2

In accordance with the requirements of Listing Rule 7.2, Exception 13(b), the following information is provided:

- (a) a summary of the material terms of the ESGP is set out in Schedule 3 and form part of the Notice;
- (b) no securities have been issued under this scheme;
- (c) the maximum number of Shares proposed to be issued under the ESGP following Shareholder approval, together with any equity securities proposed to be issued under the LTIP and the ESCP (the details of which are set out in relation to Items 6 and 7 respectively in this Notice) or any other employee incentive plan of the Company over the next 3 year period, will not exceed 5% of the total Shares on issue at the particular time, which at this time is no more than 13,495,518 Shares; and
- (d) a voting exclusion statement in respect of this resolution has been included in the Notice.

Approval for the purposes of the Corporations Act – Financial Assistance

Section 260A of the Corporations Act provides that a company may financially assist a person to acquire shares in the company or a holding company of the company only if:

- (a) giving the assistance does not materially prejudice:
 - (i) the interests of the company or its shareholders; or
 - (ii) the company's ability to pay its creditors; or
- (b) the assistance is approved by shareholders under section 260B; or
- (c) the assistance is exempted under section 260C.

Section 260C of the Corporations Act provides for certain specific instances of exempted financial assistance, including a special exemption for employee share schemes that have been approved by a resolution passed at a general meeting of the company (section 260C(4)).

It is possible that administration of the ESGP on behalf of participants under the ESGP could be determined to be the provision of financial assistance by the Company for the purposes of section 260A.

Whilst the Directors do not believe that the provision of this financial assistance will materially prejudice the interests of the Company or its shareholders or the Company's ability to pay its creditors, the Directors have recommended that the shareholders approve the ESGP to ensure that the ESGP qualifies for the special exemption under section 260C(4) of the Corporations Act.

Approval for the purposes of the Corporations Act – Taking security

Section 259B of the Corporations Act provides that a company may not take security over its own shares.

Section 259B(2) of the Corporations Act includes a special exemption to the basic rule that a company may not take security over its own shares for employee share schemes that have been approved by a resolution passed at a general meeting of the company.

It is possible that administration of the ESGP on behalf of participants under the ESGP could be determined to be the Company taking security over its own shares for the purposes of section 260A.

Accordingly, the Directors have recommended that the shareholders approve the ESGP to ensure that the ESGP qualifies for the special exemption under section 259B(2) of the Corporations Act.

The Chairman intends to vote undirected proxies in favour of this resolution.

Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in FAVOUR of this resolution.

Item 9 - Approval of 10% placement capacity for 12 months

General

Listing Rule 7.1A provides that an Eligible Entity (as defined in the Listing Rules) may seek Shareholder approval at its annual general meeting to allow it to issue equity securities up to 10% of its issued capital over the following period of 12 months ("10% Placement Capacity"). The Company is an Eligible Entity.

If Shareholders approve this resolution, the number of equity securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out below).

The effect of this resolution will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after this Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity under ASX Listing Rule 7.1.

The Directors understand that many eligible companies have sought this form of Shareholder approval to enable a capital raising to be implemented where appropriate during the following year, without incurring costs for obtaining Shareholder approval or incurring any time delay and associated risk in obtaining such approval.

Accordingly, Shareholder approval of this resolution is considered to be a prudent approach. The Directors believe that this resolution will provide the Company with flexibility to raise capital quickly if advantageous terms are available, and is in the best interests of the Company.

If the resolution is not passed, the Company will not be able to access the additional 10% Placement Capacity and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1. If the Company then needs to issue additional equity securities it will need to call a shareholder meeting to seek that approval, attracting the relevant costs and time delay and associated risk from that delay.

This resolution is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of this resolution for it to be passed.

Listing Rule 7.1A

Listing Rule 7.1A enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue equity securities in addition to those under the Eligible Entity's 15% annual placement capacity under Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalization (excluding restricted securities and securities quoted on deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and as at 15 October 2020 has a market capitalisation of \$105,265,047, based on a share price of \$0.39.

Any equity securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted equity securities. The Company currently has one class of quoted equity securities, being fully paid ordinary shares in the capital of the Company (ASX Code: CAN).

The exact number of equity securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

A: is the number of Shares on issue 12 months before the date of issue or agreement:

- plus the number of Shares issued in the previous 12 months under an exception in Listing Rule 7.2, other than exception 9, 16 or 17;
- plus the number of Shares issued in the previous 12 months on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or 7.4;
- plus the number of Shares issued in the previous 12 months under an agreement to issue securities within Listing Rule 7.3 exception 16 where:
 - the agreement was entered into before the commencement of the previous 12 month period; or
 - the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or rule 7.4;
- plus the number of partly paid ordinary shares that became fully paid in the previous 12 months;
- plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
- less the number of Shares cancelled in the previous 12 months.

D: is 10%.

E: is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders or Shares under Listing Rule 7.1 or 7.4.

Information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to this resolution.

(a) Minimum Price

The minimum price (being a cash only price) at which the equity securities may be issued is 75% of the volume weighted average price of equity securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the equity securities are to be issued is agreed; or
- (ii) if the equity securities are not issued within 5 ASX trading days of the date on which the price at which the equity securities are to be issued is agreed, the date on which the equity securities are issued.

(b) Date of Issue

The equity securities may be issued under the 10% Placement Capacity commencing the date of this Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting;
 - (ii) the time and date of the Company's next annual general meeting; and
 - (iii) the date of approval by Shareholders of any transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking), (after which date, an approval under Listing Rule 7.1A ceases to be valid),
- or such longer period if allowed by ASX ("10% Placement Capacity Period").

(c) Risk of voting dilution

Any issue of equity securities under the 10% Placement Capacity will dilute the interests of shareholders who do not receive any Shares under the issue.

If the Resolution is approved by Shareholders and the Company issues the maximum number of equity securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares is shown in the table below.

The table below seeks to demonstrate the potential dilution of existing shareholders resulting from the issue of equity securities under the 10% Placement Capacity calculated in accordance with the formula contained in Listing Rule 7.1A.2. The table does this by setting out the potential number of Shares issued and funds raised on the basis of:

- (i) the current number of Shares on issue;
- (ii) the number of Shares on issue changing (variable 'A' in the formula); and
- (iii) a variation in the issue price of the Shares (noting that Shares may only be issued at up to a 25% discount based on the volume weighted average price of the Shares calculated over the 15 ASX trading days preceding the issue).

Number of Shares on issue - Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.195 50% decrease in Issue Price	\$0.39 Current Issue Price	\$0.78 100% increase in Issue Price
Current Shares on issue 269,910,378 Shares	Additional 10% Shares issued	26,991,037	26,991,037	26,991,037
	Funds raised	\$5,263,252	\$10,526,504	\$21,053,008
50% increase in Variable A * 404,865,567 Shares	Additional 10% Shares issued	40,486,556	40,486,556	40,486,556
	Funds raised	\$7,894,878	\$15,789,756	\$31,579,513
100% increase in Variable A * 539,820,756 Shares	Additional 10% Shares issued	53,982,075	53,982,075	53,982,075
	Funds raised	\$10,526,504	\$21,053,009	\$42,106,018

*The number of Shares on issue (variable A in the formula) could increase as a result of Shares that do not require Shareholder approval to be issued (such as under a pro-rata rights issue, Shares issued under a takeover offer or Shares issued on the exercise of options) or that are issued with Shareholder approval under Listing rule 7.1.

The table above uses the following assumptions:

1. The current number of Shares on issue is the Shares on issue as at 22 October 2020.
2. The current issue price set out above is the closing price of the Shares on the ASX on 15 October 2020.
3. The Company issues the maximum possible number of equity securities under the 10% Placement Capacity.
4. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
5. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1.

6. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

Shareholders should note that there is a risk that:

- (i) the market price for the Shares may be significantly lower on the issue date than on the date of this Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

Purpose of issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for cash consideration only, in which case the Company intends to use funds raised for the acquisition of new resources, assets and investments (including expenses associated with an acquisition), continued expenditure on the Company's current assets and general working capital.

The cash issue price will comply with the minimum issue price noted in paragraph (a) above.

Allocation under the 10% Placement Capacity

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue under the 10% Placement Capacity. The identity of the allottees under the 10% Placement Capacity will be determined on a case by case basis having regard to the factors including the following:

- (i) the purpose of the issue;
- (ii) alternative methods of raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the equity securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisors (if applicable).

The allottees under the 10% Placement Capacity have not been determined as at the day of finalisation of this Notice and may include existing substantial Shareholders and/or new Shareholders. However, the allottees cannot include any directors, related parties or associates of a related party of the Company without further specific Shareholder approval.

Previous Issues

The Company has issued no Equity Securities in the 12 months prior to this Meeting under Listing Rule 7.1A.2.

Previous Approval

The Company has obtained Shareholder approval under Listing Rule 7.1A at its Annual General Meeting on 29 November 2019.

Compliance with Listing Rules 7.1A.4 and 3.10.5A

When the Company issues equity securities pursuant to the 10% Placement Capacity, it will:

- (i) state in its ASX announcement of the proposed issue under Listing Rule 3.10.3 or in its application of the equity securities under Listing Rule 2.7 that the equity securities are being issued under Listing Rule 7.1A; and
- (ii) give to the ASX a list of the recipients of the equity securities and the number of equity securities issued to each (not for release to the market) immediately after the equity securities are issued, in accordance with Listing Rule 7.1A.4(b).

Special Resolution

This resolution is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at this Meeting must be in favour of this resolution for it to be passed.

Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on this resolution.

The Chairman intends to vote undirected proxies in favour of this resolution.

Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in FAVOUR of this resolution.

Schedule 1 - Long-Term Incentive Plan

Definitions

Eligible Employee	means an “eligible participant” in relation to the Company or an “associated body corporate” as those terms are defined in ASIC Class Order CO 14/1000 or such other person as has been determined or selected by the Board to be eligible to participate in the LTIP.
LTIP	means the Cann Group Limited 2020 Long-Term Incentive Plan.
Participant	means in relation to the LTIP, a person holding Performance Rights or Plan Shares under the LTIP.
Performance Right	means a performance right granted to a Participant under the LTIP to be issued a Plan Share or other securities convertible into the capital of the Company and of a similar economic effect to a Performance Right, which the Board approves for issue under the LTIP, from time to time.
Plan Share	means a Share issued or transferred in satisfaction of a Performance Right under the LTIP.

Summary of LTIP terms

Who can participate	<p>Eligible Employees, including all full-time, part-time and casual employees (including any executive director), and any contractor of the Company or associated body corporate.</p> <p>Performance Rights may not be issued to any executive Director under the LTIP unless Shareholder approval has been obtained as required by the Corporations Act or the Listing Rules.</p> <p>Non-executive Directors are not entitled to participate in the LTIP.</p>
Instruments	Performance Rights. Each Performance Right issued entitles the Eligible Employee to receive one Plan Share, subject to meeting the conditions set out in the invitation to apply for a grant of Performance Rights ("Invitation").
Invitations	<p>The Board may make an Invitation to an Eligible Employee to apply for a grant of Performance Rights which can be accepted by the Eligible Employee completing the application form and paying any applicable funds.</p> <p>The Invitation must include (among other things) the following information:</p> <ul style="list-style-type: none"> • the maximum number of Performance Rights the Eligible Employee may apply for; • the amount (if any) the Eligible Employee has to pay for: <ul style="list-style-type: none"> ○ any Performance Rights being offered; or ○ the underlying Plan Shares to be issued or transferred in satisfaction of the Performance Rights ("Issue Price"); • the proposed date the Performance Rights will be granted to the Eligible Employee ("Grant Date"); • the period of time during which the Performance Rights may be applied for by the Eligible Employee ("Application Period");

	<ul style="list-style-type: none"> the performance condition/s (if any) which must be satisfied, reached or met during the specified performance period/s ("Performance Period"), subject to the terms of the LTIP ("Performance Conditions"); and any conditions that must be satisfied, reached or met (subject to the terms of the LTIP) before a Plan Share can be freely transferable, if any ("Transfer Conditions"). <p>Invitations are personal to the Eligible Employee and the Company shall only issue the Performance Rights offered in the Invitation to that Eligible Employee (unless the Invitation says otherwise).</p>
Consideration for Performance Rights	<p>The consideration for the granting of the Performance Rights is the services expected of an Eligible Employee to or for the benefit of the Group.</p> <p>Eligible Employees do not have to pay money or give other consideration for the grant of a Performance Right.</p>
Performance Conditions	<p>If the Invitation includes Performance Conditions, these must be satisfied or waived prior to the issue or transfer of Plan Shares in satisfaction of the Performance Rights.</p>
Terms of the Plan Shares	<p>Unless otherwise provided in an Invitation and subject to the Plan Rules, Plan Shares rank equally with existing Shares on and from the Issue Date in respect of all rights issues, bonus share issues and dividends which have a record date for determining entitlements on or after the Issue Date.</p> <p>The Company will apply for all Plan Shares to be admitted to trading on the ASX in accordance with the requirements of the Listing Rules.</p>
Restrictions on the Plan Shares	<p>Participants agree to accept the Plan Shares subject to the Constitution and the LTIP rules, comply with any Transfer Conditions and agree to comply with a holding lock (as defined in the Listing Rules) on the Plan Shares until any Transfer Conditions expire or are waived.</p> <p>The on-sale of Plan Shares may be restricted under the Corporations Act in the 12 months immediately following the Issue Date unless the Company takes the required steps to enable the on-sale of the Plan Shares.</p>
Lapse of Performance Rights	<p>A Performance Right lapses on the earlier of:</p> <ul style="list-style-type: none"> the Issue Date; the day after a change of control (as defined in the LTIP); the day after a Participant ceases to be an employee, officer or consultant of the Company or a subsidiary ("Cessation Event") (subject to the "Good Leaver" rules described below); 12 months after the expiry of the Performance Period or any other date determined by the Board and set out in the Invitation; the date the Board determines that the Performance Right should lapse because the Participant has committed a Default Event (as defined in the LTIP); or or the date the Board determines that the Performance Conditions are not satisfied or capable of being satisfied.
"Good Leavers"	<p>If a Participant suffers a Cessation Event and is a "Good Leaver" (i.e. ceases to be an Eligible Employee due to events such as death, serious disability or redundancy):</p> <ul style="list-style-type: none"> If the Cessation Date is within the initial 12 months of the Performance Period, the Participant's Performance Rights will lapse;

	<ul style="list-style-type: none"> If the Cessation Date is after the initial 12 months of the Performance Period, Plan Shares will be granted to the Participant on a pro rata basis (calculated in accordance with rule 14.2 of the LTIP).
Change in Control	If there is a Change on Control, the Board may, at its discretion, elect to determine that outstanding Performance Rights are to be satisfied pro rata, based on time and performance to the date of the change in control.
Clawback	If, in the Board's opinion, a Participant has committed a Default Event, the Board may cancel any outstanding Performance Rights and clawback any Plan Shares issued in satisfaction of any Performance Rights.
Reorganisations	The Performance Rights shall be reorganised in accordance with the Listing Rules in the event of the Company undertaking a reorganisation event.
Restrictions on dealings with Performance Rights and Plan Shares	<p>Except for permitted transfers, a Participant must not dispose of or grant any security interest over or otherwise deal with any Performance Rights or Plan Shares.</p> <p>A Participant has limited rights to dispose or transfer Performance Rights – they can only do so with the prior written consent of the Board or if there is a re-organisation of the Group or a change of control.</p> <p>A Participant also has limited rights to dispose of Plan Shares. A Participant may only dispose of Plan Shares after satisfaction or waiver of any Transfer Conditions, after a Cessation Event, on the Participant's request where they are suffering financial hardship and the Board determines, in its discretion, to approve the disposal, on the seventh anniversary of the Date of Grant of the Performance Right or in the event of a clawback if a Participant has committed a Default Event.</p> <p>A Participant may not enter into any arrangement to hedge, manage or otherwise affect their economic exposure or risk in relation to any Performance Rights or Plan Shares.</p>
Amendments to the LTIP	<p>The Board may at any time amend all or any of the provisions of the LTIP, unless the amendment would adversely affect the rights of the Participants, in which case consent of 75% of all adversely affected Participants is required unless the amendment is to:</p> <ul style="list-style-type: none"> comply with current or future legislation governing the LTIP; correct any manifest error or mistake; comply with any applicable law; or <p>address any possible adverse tax consequences for the Company.</p>
Maximum limit on Plan Shares to be issued to a Participant	Plan Shares cannot be issued or transferred to a Participant under the LTIP if the Participant would then hold a legal or beneficial interest in more than 5% of the Shares or be in a position to cast, or control the casting of, more than 5% of the maximum number of votes which might be cast at a general meeting of the Company.

Schedule 2 - Employee Share Contribution Plan

Definitions

Applicable Price	means, in respect of any Acquisition Period, the average price per Share acquired during that Acquisition Period based on: <ul style="list-style-type: none"> • where the Shares have been acquired on the ASX or by other means, the price actually paid per Share by the Company to acquire those Shares (excluding/including any costs of acquisition); or • where the Shares are issued by the Company, the 15/30 day VWAP (as defined in the Listing Rules) immediately prior to the commencement of the Acquisition Period.
Acquisition Period	means a period nominated by the Board for the purposes of acquiring Plan Shares.
Contributions	means a monetary contribution by a Participant to the Company for the purposes of acquiring Shares in accordance with the terms of the ESCP, whether made before or after such acquisition, from the Participant's: <ul style="list-style-type: none"> • gross (before-tax) wages or salary; and/or • net (after-tax) wages or salary; and/or • other monies.
Eligible Employee	means an "eligible participant" in relation to the Company or an "associated body corporate" as those terms are defined in ASIC Class Order CO 14/1000 or such other person as has been determined or selected by the Board to be eligible to participate in the ESCP.
ESCP	means the Cann Group Employee Share Contribution Plan.
Matching Ratio	means, in respect of the Participant, the number of Matching Rights to be granted per Plan Share acquired as set out in that Participant's Invitation.
Matching Right	means a right granted to a Participant under the Plan to be issued or transferred a Plan Share.
Participant	means a person holding Matching Rights and Plan Shares under the Plan and includes, if a Participant dies or becomes subject to a legal disability, the Legal Personal Representative of the Participant.
Plan Share	means a Share issued or transferred to a Participant under the ESCP.

Summary of ESCP Terms

Who can participate	Eligible Employees, including all full-time, part-time and casual employees and any contractor of the Company or associated body corporate. Directors are not entitled to participate in the ESCP.
Instruments	Plan Shares and Matching Rights. Under the terms of the ESCP, Participants may make Contributions from time to time. Upon reaching a sufficient Contribution balance, the Company will, from time to time, apply those Contributions towards the purchase of Plan Shares during a declared Acquisition Period. The Company will match the Plan Shares held by the Participant (i.e. grant Matching Rights) in accordance with the Matching Ratio.

Invitations to Eligible Employees	<p>The Board may make an Invitation to an Eligible Employee to apply to participate in the ESCP, which can be accepted by the Eligible Employee.</p> <p>The Invitation must also include (among other things) the following information:</p> <ul style="list-style-type: none"> • the minimum and/or maximum amount of Contributions that may be made by a Participant per month; • how the Applicable Price is to be calculated for a Plan Share; • the Matching Ratio; • the Matching Conditions applicable to any Matching Right; and • the period of time over which the Matching Conditions must be satisfied ("Matching Period"). <p>Invitations are personal to the Eligible Employee and the Company shall only issue the Plan Shares and Matching Rights offered in the Invitation to that Eligible Employee (unless the Invitation says otherwise).</p>
Matching Rights	<p>The Matching Rights will be delivered to the Participant on the same day as the Plan Shares. Each Matching Right delivered confers on Participants the entitlement to receive a number of Plan Shares in accordance with the terms of the ESCP, but the Participant has no entitlement to the Plan Shares unless and until the applicable Matching Conditions are satisfied in accordance with the ESCP rules.</p> <p>The consideration for the granting of the Matching Rights is the services expected of an Eligible Employee to or for the benefit of the Group. Eligible Employees do not have to pay money or give other consideration for the grant of a Matching Right.</p>
Delivery of Plan Shares	<p>The Company will issue or transfer Plan Shares to Participants:</p> <ul style="list-style-type: none"> • no more than 10 Business Days after the expiry of an Acquisition Period; • no more than 10 Business Days after a Satisfaction Notice (as defined in the ESCP) has been delivered regarding any Matching Conditions in respect of Matching Rights; or • on the Change of Control Date (as defined the ESCP), if applicable, <p>("Delivery Date").</p>
Terms of the Plan Shares	<p>Unless otherwise provided in an Invitation and subject to the Plan Rules, Plan Shares rank equally with existing Shares on and from the Delivery Date in respect of all rights issues, bonus share issues and dividends which have a record date for determining entitlements on or after the Delivery Date.</p> <p>The Company will apply for all Plan Shares to be admitted to trading on the ASX in accordance with the requirements of the Listing Rules.</p>
Restrictions on the Plan Shares	<p>Participants agree to accept the Plan Shares subject to the Constitution and the ESCP rules.</p> <p>The on-sale of Plan Shares may be restricted under the Corporations Act in the 12 months immediately following the Delivery Date unless the Company takes the required steps to enable the on-sale of the Plan Shares.</p>
Lapse of Matching Rights	<p>A Matching Right lapses on the earlier of:</p> <ul style="list-style-type: none"> • the Delivery Date of a Plan Share delivered in satisfaction of the Matching Right; • the day after a change of control (as defined in the ESCP);

	<ul style="list-style-type: none"> the day after a Participant ceases to be an employee, officer or consultant of the Company or a subsidiary ("Cessation Event") (subject to the "Good Leaver" rules described below); 1 month after the expiry of the Matching Period or any other date determined by the Board and set out in the Invitation; on disposal of the underlying Plan Share in respect of which the Matching Right was issued; the date the Board determines that the Matching Right should lapse because the Participant has committed a Default Event (as defined in the ESCP); or the date the Board determines that the Matching Conditions attached to the Matching Right are not satisfied or capable of being satisfied.
"Good Leavers"	<p>If a Participant suffers a Cessation Event and is a "Good Leaver" (i.e. ceases to be an Eligible Employee due to events such as death, serious disability or redundancy):</p> <ul style="list-style-type: none"> If the Cessation Date is within the initial 12 months of the Matching Period, the Participant's Matching Rights will lapse on the Cessation Event; If the Cessation Date is after the initial 12 months of the Matching Period, Plan Shares will be granted to the Participant on a pro rata basis (calculated in accordance with rule 15.2 of the ESCP).
Change in Control	<p>If there is a Change on Control, the Board may, at its discretion, elect to determine that outstanding Matching Rights are to be satisfied pro rata, based on time to the date of the change in control.</p>
Clawback	<p>If, in the Board's opinion, a Participant has committed a Default Event, the Board may cancel any outstanding Matching Rights and clawback any Plan Shares issued in satisfaction of any Matching Rights.</p>
Reorganisations	<p>The Matching Rights shall be reorganised in accordance with the Listing Rules in the event of the Company undertaking a reorganisation event.</p>
Restrictions on dealings with Plan Shares and Matching Rights	<p>Except for permitted transfers, a Participant must not dispose of or grant any security interest over or otherwise deal with any Matching Rights.</p> <p>A Participant may dispose of a Plan Share or any interest in a Plan Share, and in doing so, any associated Matching Right will immediately lapse (unless the Matching Period has expired and the Plan Shares are yet to be issued under a Satisfaction Notice).</p> <p>A Participant may not enter into any arrangement to hedge, manage or otherwise affect their economic exposure or risk in relation to any Matching Right.</p>
Amendments to the ESCP	<p>The Board may at any time amend all or any of the provisions of the ESCP, unless the amendment would adversely affect the rights of the Participants, in which case consent of 75% of all Participants is required unless the amendment is to:</p> <ul style="list-style-type: none"> comply with current or future legislation governing the ESCP; correct any manifest error or mistake; comply with any applicable law; or address any possible adverse tax consequences for the Company.
Maximum limit on Plan Shares to be issued to a Participant	<p>Plan Shares cannot be issued or transferred to a Participant under the ESCP if the Participant would then hold a legal or beneficial interest in more than 5% of the Shares or be in a position to cast, or control the casting of, more than 5% of the maximum number of votes which might be cast at a general meeting of the Company.</p>

Schedule 3 - Employee Share Gift Plan

Definitions

Eligible Employee	means an "eligible participant" in relation to the Company or an "associated body corporate" as those terms are defined in ASIC Class Order CO 14/1000, provided that, such person's aggregate base salary (whether obtained through his/her employment with the Company or otherwise) does not exceed \$180,000 (or such other amount as determined by the Board from time to time).
Participant	means an Employee whose application to purchase Shares and participate in the Plan has been accepted by the Board (and includes a legal personal representative of the Participant).
Participant Share	means, in relation to a Participant under the ESGP, a Share issued or transferred to the participant under the ESGP.
ESGP	means the Cann Group Employee Share Gift Plan.

Summary of ESGP

Who can participate	All full-time, part-time and casual employees and any contractor of the Company or associated body corporate provided their aggregate base salary does not exceed \$180,000. Directors are not entitled to participate in the ESGP.
Instrument	Participant Shares. The Board may from time to time determine that Participant Shares be delivered to Participants under the ESGP. The Board may at any time determine how Participant Shares are to be held under the ESGP including without limitation by a trust establish for the purposes of the ESGP to hold the Participant Shares.
Invitations to Employees	The Board may make an invitation to an Eligible Employee to participate in the ESGP from time to time ("Invitation"). The Invitation may be on such terms and conditions as the Board decides from time to time, including as to: <ul style="list-style-type: none"> • the maximum value of Shares that an Eligible Employee may be gifted under the ESGP; • the amount payable (if any) for the subscription of a Share or how it is calculated; and • the final date for receipt of an application.
Maximum discount on Shares	The maximum discount on Shares delivered under the ESGP which can be granted to an Employee in any 12-month period will not exceed \$1,000 (or a greater number approved by the Board from time to time).
Terms of the Participant Shares	Unless otherwise provided in an Invitation and subject to the ESGP Rules, Participant Shares rank equally with existing Shares from when they are issued except any rights attaching to the Shares by reference to a record date prior to the date of their allotment or transfer. A Participant will be entitled to direct the manner in which their Participant Shares are voted, receive all dividends paid or credited on their Participant Shares, participate in any corporate action or capital re-organisation involving their Participant Shares and sell their Shares or direct the sale of their Participant Shares from the date they are issued or transferred to the Participant. The Company will apply for all Participant Shares to be admitted to trading on the ASX in accordance with the requirements of the ASX Listing Rules.
Agreement to be bound	Each Participant in submitting an application form is deemed to be bound by the terms of the Invitation, the provisions of the ESGP, and the Constitution.

Restrictions on dealings with Participant Shares	<p>Except as provided under the ESGP rules, a Participant may not dispose of, deal in, or grant a security interest over, any interest in a Participant Share received under the ESGP until the earlier of:</p> <ul style="list-style-type: none"> • the end of the period of three years (or any longer period specified by the Board in the Invitation) commencing on the date of the issue or transfer of that Participant Share; • the date on which the Participant is no longer employed by the Group; and • the end of any other period determined by the Board in accordance with relevant law.
Amendments to the ESGP	<p>The Board may at any time amend all or any of the provisions of the ESGP, unless the amendment is introduced primarily:</p> <ul style="list-style-type: none"> • for the purpose of complying with or conforming to present or future State, Territory or Commonwealth legislation or the Listing Rules governing or regulating the maintenance or operation of the Plan or like plans; • to correct any manifest error or mistake; • to enable contributions or other amounts paid by a Group Company to the Plan to qualify as income tax deductions for that or another Group Company; • to enable any Employer to reduce the amount of fringe benefits tax under the Fringe Benefits Tax Assessment Act 1986 (Cwlth), the amount of tax under the Tax Acts, or the amount of any other tax or impost that would otherwise be payable by the Employer in relation to the Plan; • or the purpose of enabling the Participants generally (but not necessarily each Participant) to receive a more favourable taxation treatment in respect of their participation in the Plan; or • to enable the Plan or any Group Company to comply with the Corporations Act, the Listing Rules or its Constitution.