



Announcement Summary

Entity name

CANN GROUP LIMITED

Announcement Type

New announcement

Date of this announcement

12/3/2025

The Proposed issue is:

A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	Convertible Notes (2nd Special Purchase)	376,620
New class-code to be confirmed	Unquoted Options (2nd Special Purchase) expiring 12/3/2027	7,877,876
CAN	ORDINARY FULLY PAID	7,000,000

Proposed +issue date

12/3/2025

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

CANN GROUP LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ACN

Registration Number

603949739

1.3 ASX issuer code

CAN

1.4 The announcement is

New announcement

1.5 Date of this announcement

12/3/2025

1.6 The Proposed issue is:

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?

No

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

New class

Will the proposed issue of this +security include an offer of attaching +securities?

Yes

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities do not have +CDIs issued over them)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

Yes

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +security code

New class-code to be confirmed

+Security description

Convertible Notes (2nd Special Purchase)

+Security type

+Convertible debt securities

Number of +securities proposed to be issued

376,620

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 1.59300

**Will all the +securities issued in this class rank equally in all respects from their issue date?**

Yes

+Convertible debt securities details**These securities are:**

Converting

Type of security

Convertible note or bond

+Security currency

USD - US Dollar

Face value

USD 1.1500

Interest rate type

Zero coupon/no interest

Frequency of coupon/interest payments per year

No coupon/interest payments

s128F of the Income Tax Assessment Act status applicable to the +security

s128F exempt

Is the +security perpetual (ie. no maturity date)?

No

Maturity date

12/9/2026

Select other features applicable to the +security

None of the above

Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?

No

Details of the type of +security that will be issued if the securities are converted, transformed or exchanged

CAN : ORDINARY FULLY PAID

Number of +securities that will be issued if the +securities are converted, transformed or exchanged (including, if applicable, any interest)

Notes convert per [QTY notes] x [1.15 x USD:AUD FX] / [lesser (a) 92% of ave of the lowest 3 day VWAPs during 15 day prior trading and (b) \$0.05 - with max 40M shares issued (inc Placement Shares)]

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Please see Prospectus lodged 12 March 2025 with ASX (and ASIC) - Available on Company website: <https://www.canngrouplimited.com/investor-overview>



Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities do not have +CDIs issued over them)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

Yes

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +security code

New class-code to be confirmed

+Security description

Unquoted Options (2nd Special Purchase) expiring 12/3/2027

+Security type

Options

Number of +securities proposed to be issued

7,877,876

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

7,877,876 unquoted options are being issued in accordance with the Convertible Securities agreement 21 November 2023 which established the convertible note "Facility", together with announcement lodged 28 February 2025 describing the "Second Special Purchase" drawdown of the Facility under which unquoted options are being issued and the Prospectus lodged 12 March 2025 describing the terms of those options.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

0.025388

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0508

Expiry date

12/3/2027

Details of the type of +security that will be issued if the option is exercised

CAN : ORDINARY FULLY PAID



Number of securities that will be issued if the option is exercised

One fully paid ordinary share (ASX:CAN) per option exercised

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Please see Prospectus lodged 12 March 2025 with ASX (and ASIC) - Available on Company website: <https://www.canngrouplimited.com/investor-overview>

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
No

Details of +securities proposed to be issued

ASX +security code and description

CAN : ORDINARY FULLY PAID

Number of +securities proposed to be issued

7,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.01500

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Part 7C - Timetable

7C.1 Proposed +issue date

12/3/2025



Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?
No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

Notes convert per [QTY notes] x [1.15 x USD:AUD FX] / [lesser (a) 92% of ave of the lowest 3 day VWAPs during 15 day prior trading and (b) \$0.05 - with max 40M shares issued (inc Placement Shares)]

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

No

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

No

7E.2 Is the proposed issue to be underwritten?

No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

To provide working capital to the Company

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

7F.2 Any other information the entity wishes to provide about the proposed issue

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

The publication of a +disclosure document or +PDS for the +securities proposed to be issued