



ASX Announcement | 25 October 2019  
Althea Group Holdings (ASX:AGH)

## Althea on track to reach 4,000 patients by year's end and extends Aphria Inc.'s product supply agreement until 2027

### INVESTMENT HIGHLIGHTS:

- Althea is on track to reach 4,000 patients in Australia by end of 2019
- 2,705 patients have now been prescribed Althea medicinal cannabis products in Australia
- 348 Healthcare Professionals have prescribed Althea medicinal cannabis products in Australia
- Althea continues to make significant progress in the United Kingdom
- Aphria Inc. and Althea's commercial relationship continues with an extension of the current product supply agreement until 2027

25 October 2019: **Australian medicinal cannabis company Althea Group Holdings Limited (ASX:AGH) ('Althea' or 'the Company')** is pleased to provide the following market update.

### Althea Australia update

2,705 patients have now been prescribed Althea medicinal cannabis products and there are now 348 Healthcare Professionals ('HCPs') across Australia who have prescribed Althea's products.

Current patient growth trajectory has Althea well positioned to reach 4,000 patients in Australia by December 31, 2019. The Company remains fully funded to achieve its objectives globally.

The Company announced earlier in the year that the Queensland government had improved patient access to medicinal cannabis by removing their state-based application process. New South Wales Ministry of Health has since followed suit, now also only requiring a Therapeutic Goods Administration (TGA) application.

**Althea CEO Josh Fegan said:** "Althea believes that given the TGA's comprehensive regulatory system for medicinal cannabis at a Commonwealth level, other states including Victoria, will soon follow the lead of Queensland and New South Wales by removing state-based applications for patients seeking access to medicinal cannabis. This will certainly lead to wider acceptance of medicinal cannabis treatment within the medical community and we believe will significantly increase Althea's patient base."

### Althea UK update

Althea continues to make significant progress in the United Kingdom. This week, the Company received further Home Office import licences for supply of Althea's medicinal cannabis products. The Company has already forged an industry leading position in the UK, an emerging medicinal cannabis market with significant potential.

Approximately 60 patients are on the waiting list for HCP consultations at MyAccess Clinics, a wholly owned subsidiary of Althea. To support the growing demand, further MyAccess Clinics are in planning across multiple locations in the UK.

Drug Science's Project "TWENTY21" is the UK's first national pilot for medical cannabis. Project TWENTY21 is expected to commence next month and aims to enrol 20,000 patients before the end of 2021. Althea has been selected from a limited number of medicinal cannabis companies to supply, on commercial terms, its range of products to the pilot.



### Peak Processing Solutions update

Peak Processing Solutions remains on track to become fully operational in CYQ1 2020, with the company seeking deals with multiple consumer package goods (CPG) companies, along with licenced cannabis retailers.

### Change in substantial shareholding

The Company advises that substantial shareholder Aphria Inc. ('Aphria') has committed to the sale of 36.697 million non-escrowed shares held in the Company (equivalent to 15.7% of the Company's issued capital) at A\$0.40 per share, but will continue to remain a commercial partner in facilitating Althea's growth.

The block trade, assisted by PAC Partners Securities, will be purchased by institutional investors. Althea board members will also purchase shares as part of the transaction. The sale of the shares, which are a non-essential holding of Aphria, is in line with Aphria's commitment to enhance corporate governance practices and a renewed focus on its strategic plan.

Following the block trade, Aphria will continue to hold 5.25% (12.25 million shares) of the Company's issued capital. These 12.25 million shares are subject to ASX escrow until late September 2020.

### Aphria supply agreement

Aphria and Althea's commercial relationship continues with a variation of the current product supply agreement which provides continuity of product supply up to the year 2027.

**Althea CEO Josh Fegan said:** "Althea understands and appreciates that Aphria is readjusting their strategic focus. Aphria has confirmed their commitment to remain a strong commercial partner of Althea, including the long-term supply of medicinal cannabis products and other collaborations."

-ENDS-

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### Althea Group Holdings Limited (ASX:AGH)

Althea is an Australian licensed producer, supplier and exporter of pharmaceutical grade medicinal cannabis and is listed publicly on the Australian Securities Exchange (ASX:AGH). Althea also offers a range of education, access and management services to support eligible patients and healthcare professionals in navigating medicinal cannabis treatment pathways.

Althea currently operates within highly regulated medicinal cannabis markets including Australia and the United Kingdom, with plans to expand into emerging markets throughout Asia and Europe.

To learn more, please visit: [www.althea.life](http://www.althea.life)

### Peak Processing Solutions

Peak Processing Solutions is a manufacturing service provider, specializing in contract and tolling services for the Canadian and International cannabis market. Peak partners with licensed producers (LP) of cannabis, as well as non-LP businesses, to develop THC and CBD product lines.



Peak's facility in Ontario will be equipped to manufacture a range of premium cannabis-infused products, including edibles, beverage products, small liquid products, water-soluble powder products, tinctures, vape pens and topicals.

**To learn more, please visit: [www.peakprocessing.com](http://www.peakprocessing.com)**

#### **MyAccess Clinics**

MyAccess Clinics provides expert care for patients with unmet needs, that licensed medicines have failed to address, through the use of 'specials' medicines including unlicensed cannabis based products for medical use.

**To learn more, please visit: [www.myaccessclinics.co.uk](http://www.myaccessclinics.co.uk)**