

For Public Release
NZX Limited
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Cannasouth Submits Product Assessment and Registration Application to Medicinal Cannabis Agency

Cannasouth (NZX:CBD, Cannasouth) has received confirmation from the Medicinal Cannabis Agency (Agency) that it has received the assessment applications submitted by Cannasouth for its first three white label products. If successful, Cannasouth expects these products to be available to patients in the first half of 2021.

The Medicinal Cannabis Agency has indicated product assessments and registration against the New Zealand quality standards could take up to three months to complete. Following successful registration, Cannasouth will work quickly to place orders and import product from its Australian supplier for distribution in New Zealand. (refer 'White Label Products Agreement' market announcement dated 4 May 2020)

CEO Mark Lucas says, "The submission is an important milestone for Cannasouth as we take another step towards our goal of bringing products to the New Zealand market. It is also significant for patients because we understand that to date no new product applications have been approved by the Agency.

"We are proud to be an early player in submitting a product assessment application for registration of medicinal cannabis medicines to the Agency.

"If our application is accepted, we would be well on our way towards making more medicinal cannabis options available for patients and giving prescribers and patients more choices for treating a variety of medical conditions. We are committed to bringing quality medicines to New Zealand patients as quickly as possible, while also developing export opportunities for our products."

Meanwhile, Cannasouth is working on its second phase of product development, which involves manufacturing products in New Zealand. In order to produce Medicinal Cannabis medicines locally, Cannasouth must:

- Complete its cultivation and manufacturing facility build projects with JV partner Cannasouth Cultivation Limited and subsidiary Midwest Pharmaceuticals NZ Limited, respectively;
- Obtain the full suite of commercial licences from the Ministry of Health;
- Gain certification for Good Manufacturing Practice (GMP) of products.

Once these steps are complete, Cannasouth will be able to take advantage of multiple revenue opportunities. These range from dried flower and extracts sales, through to finished products for both Cannasouth's own brand and potential contract manufacture customers.

Lucas says, "It is important our investors understand that the quality standards prescribed by the Medicinal Cannabis Access Scheme are complex and it takes time to obtain the necessary licences and certifications. Cannasouth has a sound strategy in place and our dedicated team of experts are working hard to achieve the milestones we have set for the business.

-ENDS-

For further information visit www.cannasouth.co.nz or contact:

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About Cannasouth Limited

Cannasouth is a biopharmaceutical research and product development company based in the Waikato heartland of New Zealand. The Company has been established to focus on the development of the medicinally beneficial attributes of cannabinoid compounds such as CBD, THC and associated chemical structures that are produced by the cannabis plant. Our goal is the development of next-generation cannabinoid medicines that support patients' health outcomes and improve their quality of life. Our products will be under GMP using environmentally friendly methods without the use of harmful chemicals or solvents, ensuring patients are treated with pure cannabinoid therapeutic compounds of the highest quality.

For video footage, photos and logos please visit: <https://www.cannasouth.co.nz/about/media/>