



ASX Announcement  
19 February 2020

## LITTLE GREEN PHARMA SIGNS BINDING PURCHASE AGREEMENT TO SUPPLY MEDICINAL CANNABIS TO UK-BASED ASTRAL HEALTH

### Highlights

- Little Green Pharma signs binding five-year purchase agreement with UK-based Astral Health to supply the company's suite of medicinal cannabis products
- Astral Health is a subsidiary of LYPHE Group, who holds one of the few licences that have been awarded to operate medicinal cannabis clinics in the UK
- Little Green Pharma is now working towards delivering its first shipment of LGP Classic products into the UK
- Provides early mover advantage and positions Little Green Pharma as one of very few companies with GMP medicinal cannabis products contracted to supply into the UK and Europe
- The UK medicinal cannabis market is estimated to reach US\$1.3 billion by 2024

Little Green Pharma Ltd (ASX: LGP) ("LGP" or the "Company") is pleased to announce it has signed a binding purchase agreement ("Agreement") with Astral Health, a UK-based specialist importer and distributor of medicinal cannabis products.

Astral Health is a subsidiary of LYPHE Group, a European leader in medicinal cannabis solutions across distribution, medicinal cannabis clinics, online pharmacies, and healthcare practitioner training.

Under the Agreement, Astral Health will purchase, import, and distribute LGP's current medicinal cannabis product range to its UK-based patients, comprising LGP Classic 10:10, LGP Classic 20:5, and LGP Classic 1:20. The Agreement has a five-year term, which commences on the first shipment of LGP product to the UK.

LYPHE Group holds one of the few medicinal cannabis clinic licences in the UK and operates a network of seven medicinal cannabis clinics across the country. LYPHE Group expects to assist more than 2,000 patients in CY2020.

Commenting on the Agreement, LGP Managing Director Fleta Solomon said:

*"This is an important milestone for Little Green Pharma as we enter the UK market and will provide us with an early mover advantage in what is anticipated to be a large medicinal cannabis market."*

*"The Agreement positions LGP as one of very few companies with GMP medicinal cannabis products to supply into the UK and Europe and follows our first purchase order from Germany."*

*"We are excited to be working with LYPHE Group, who hold a commanding share of the UK patient market."*



*“LYPHE Group’s strong network of medicinal cannabis clinics positions them at the forefront of the UK market and makes them the ideal partner for LGP in the UK.”*

LYPHE Group Chief Executive Officer, Dean Friday commented:

*“We are thrilled to be partnering with such a high calibre partner in LGP who are at the forefront of the global medicinal cannabis industry. With our dominant distribution footprint in the UK, LGP’s full range of medicinal cannabis products will be available to a large number of patients to provide relief to those living with a range of chronic and debilitating conditions.*

*The UK market has passed an inflection point, patient numbers are increasing significantly month-on-month, and we are expecting the medicinal cannabis market to expand rapidly throughout 2020.”*

### **Material terms of the Agreement**

The Agreement provides a framework agreement setting out the product specifications, quality requirements and agreed unit pricing of the medicinal cannabis products that the Company will provide over the term of the Agreement.

Under the Agreement, Astral Health shall initiate orders by way of written purchase orders and LGP will be required to confirm or reject such purchase orders. There is no minimum order quantity under the Agreement. The parties do not have an obligation to supply or purchase products until a purchase order is confirmed.

The Agreement has a five-year term and may be terminated for convenience by either party by way of four months' written notice.

### **UK medicinal cannabis market overview**

Medicinal cannabis was legalised in the UK in November 2018 and the industry is forecast to grow to US\$1.3 billion by 2024, with an expected 400,000 patients being prescribed medicinal cannabis.<sup>1</sup> The British Medical Journal indicates a potential market of more than four million patients across a range of 52 conditions that are potentially treatable with medicinal cannabis.

Currently, it is estimated that 1.4 million people (or 2.8% of the adult population) in the UK are accessing cannabis through illicit avenues to treat chronic medical conditions.<sup>2</sup>

### **About LYPHE Group**

LYPHE Group is a patient-led medicinal cannabis healthcare provider with a central goal of pioneering patient access to safe and effective medicinal cannabis treatments.

LYPHE Group is comprised of the following industry leading organisations:

- **The Academy of Medical Cannabis** - The Academy operates a global online learning platform that trains and educates clinicians and healthcare professionals on medicinal cannabis.

---

<sup>1</sup> Prohibition Partners, The UK Cannabis Report, p 14 - 46

<sup>2</sup> <https://www.thecmcuk.org/1-4-million-uk-adults-self-medicating-with-illicit-cannabis>



- **The Medical Cannabis Clinics** - The UK's first chain of private clinics specialising in innovative medicinal cannabis-based therapies.
- **Astral Health** - The UK's leading importer of cannabis based medicinal products.
- **Dispensary Green** - The UK's first online home-delivery pharmacy for medicinal cannabis.

**ENDS**

**For interviews, export updates, clinical study protocols and patient case studies please contact:**

David Tasker

Chapter One Advisors

E: [dtasker@chapteroneadvisors.com.au](mailto:dtasker@chapteroneadvisors.com.au)

M: +61 433 112 936

Celia Young, Marketing Manager

Little Green Pharma

E: [celia@lgpharma.com.au](mailto:celia@lgpharma.com.au)

M: +61 421 730 885

For more information about Little Green Pharma go to: [www.littlegreenpharma.com](http://www.littlegreenpharma.com)

**BY ORDER OF THE BOARD**

A handwritten signature in black ink, appearing to read "Craig Basson", is written over a horizontal line.

**Craig Basson**

Company Secretary

