

ASX ANNOUNCEMENT

5 February 2025

LGP signs acquisition agreement for Health House distribution business

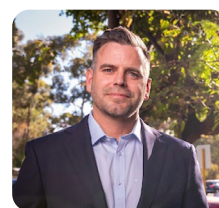


Little Green Pharma Ltd (ASX: LGP) ("**LGP**" or the "**Company**") is pleased to announce it has entered into a binding sale and purchase agreement ("**SPA**") to acquire HHI (Australia) Pty Ltd, the owner of the Health House medicinal cannabis distribution business ("**Health House**"). Completion of the acquisition is scheduled for today, Wednesday 5 February 2025.

The purchase marks a strategic extension of LGP's vertical integration, further aligning with the Company's stated acquisition strategy amid the ongoing restructuring of the Australian medicinal cannabis industry. Health House has been a long-term distribution partner of LGP, generating approximately \$7.5 million (unaudited) in annual revenue and achieving cashflow breakeven.

LGP CEO Paul Long commented:

"This acquisition represents a significant step in strengthening our supply chain and margin capture capacity. The integration of Health House into LGP's operations enhances our distribution portfolio and opportunities for synergies, positioning us strongly as the industry continues to consolidate."



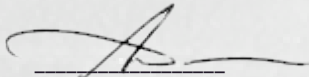
LGP will acquire Health House, including all of its property, plant and equipment (PPE), inventory and intellectual property for a total net cash outlay of an estimated \$375,000 which includes the \$75,000 LOI deposit already paid. Of the remaining \$300,000 expected to be paid, \$171,000 will be paid immediately with the remaining amount being paid in 40 days once the 31 January 2025 working capital position has been determined. On Completion, LGP will absorb Health House's estimated \$350,000 net liability position (excludes existing payables due to LGP).

LGP believes the final agreed terms represent exceptional value, with the acquisition following an earlier sale process where Health House's ultimate parent company, Melodiol Global Health (In Liquidation) listed the business for sale at \$10.9 million in September 2024.

Completion of the acquisition is scheduled for later today following satisfaction of standard closing conditions and provision of deliverables. LGP will work closely with Health House's team to ensure a seamless transition, including the integration of operations, systems, and personnel.

LGP remains committed to disciplined capital allocation and strategic expansion in the medicinal cannabis sector. Further updates will be provided as the acquisition and integration progresses.

ENDS
BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read "Alistair Warren". The signature is written over a horizontal line.

Alistair Warren
Company Secretary



For further information please contact:

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About Little Green Pharma and Reset Mind Sciences

Little Green Pharma Group is a global, vertically integrated and geographically diverse medicinal cannabis and psychedelics business with operations from cultivation and production through to manufacturing, distribution and clinical services.

The Company has three global production sites for the manufacture of its own-branded and white-label ranges of medicinal cannabis and psychedelic products, being a Danish glasshouse facility, a West Australian indoor craft production facility with a combined nameplate capacity of 30 tonnes of cannabis biomass per annum, and a combined psychedelics clinic, head office and therapeutic goods manufacturing facility located in Western Australia.

Little Green Pharma products comply with all required Danish Medicines Agency and Therapeutic Goods Administration regulations and testing requirements. With a growing range of products containing differing ratios of active ingredients, Little Green Pharma supplies medical-grade cannabis products to Australian, European and overseas markets and delivers psychedelic assisted psychotherapy services via its wholly-owned Reset Mind Sciences business.

The Company has a strong focus on patient access in global medicinal cannabis markets and the Australian psychedelic market and is actively engaged in promoting education and outreach programs, as well as participating in clinical investigations and research projects to develop innovative new delivery systems.

For more information about Little Green Pharma go to: www.littlegreenpharma.com and Reset Mind Sciences: <https://www.resetmind.com.au/>

Help us be Green

LGP investors are encouraged to go paperless and receive Company communications, notices and reports by email. This will ensure efficient communication during COVID-19 while also helping to reduce our costs and environmental footprint

To easily update your communication preferences, visit: www.investorcentre.com/au

LGP's Cannabis Wrap

LGP's Cannabis Wrap offers insights on global cannabis markets with links to key news and developments from around the world

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