



ASX Announcement

6 November 2018

Elixinol Global completes 50.5% investment in Elixinol Japan

Elixinol Global Limited (EXL, Group or the Company) (ASX: EXL; OTCQX: ELLXF), previously advised the market on 24 September 2018 that via its wholly owned subsidiary, EXL International Holdings, it would increase its ownership to 50.5% in a newly restructured Japanese hemp-derived cannabidiol (CBD), hemp foods and skincare business, to be named Elixinol Japan subject to various closing conditions and statutory notice periods.

EXL is pleased to announce that it has completed the investment in Elixinol Japan.

EXL's strategic investment of A\$2.2m has been funded by the Group's existing cash reserves and will provide working capital to scale the Japanese business for anticipated growth in hemp-derived cannabidiol (CBD), hemp foods and skincare markets.

At 30 September 2018, the Company held a pro forma cash balance of A\$48.6m which comprised A\$10.7m cash at bank and net proceeds of A\$37.9m received from the capital raising on 3 October 2018.

The operations of Elixinol Japan will be consolidated into the Group's future financial statements.

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About Elixinol Global

Elixinol Global Limited (ASX:EXL; OTCQX: ELLXF) through its businesses has a global presence in the cannabis industry including hemp-derived CBD dietary supplements, food and wellness products, as well as the cultivation and manufacture of medicinal cannabis products. Elixinol Global's businesses include:

- Elixinol USA, which was founded in 2014, is a manufacturer and global distributor of industrial hemp based dietary supplement and skincare products, with operations based out of Colorado, USA;
- Hemp Foods Australia, which was founded in 1999, is a leading hemp food wholesaler, retailer, manufacturer and exporter of bulk and branded raw materials, and finished products;
- Elixinol Australia, which was founded in 2014 to participate in the emerging Australian medicinal cannabis market and submitted licence applications for cultivation and manufacture to the Office of Drug Control in early 2018. These applications are currently pending approval.

See more at www.elixinolglobal.com