

For Public Release
NZX Limited
Wellington

28 April 2023

Results of Cannasouth Limited Special Shareholder Meeting

At the Special Shareholder Meeting of Cannasouth Limited (NZX:CBD) held in Auckland on 28 April 2023 at Link Market Services offices and online, shareholders overwhelmingly approved the proposed merger with Eqlis Group New Zealand Limited.

As required by NZX Listing Rule 6.1, all voting was conducted by a poll.

The resolutions passed by shareholders were:

1. Special Resolution; Acquisition of 100% of the shares on issue in Eqlis Group New Zealand Limited ("Eqlis")

"That the Share Sale Deed entered into between the Company and the shareholders of Eqlis Group New Zealand Limited ("Eqlis") ("Sale Agreement"), pursuant to which the Company has agreed to acquire 100% of the shares on issue in Eqlis ("Eqlis Shares") for \$48.8 million, which consideration will be satisfied by the issue of 147,891,069 new ordinary fully paid shares in the Company, at an issue price of \$0.33 cents per share, to the shareholders of Eqlis (or their nominees), and the transactions described in the Sale Agreement are approved, and that the Directors be authorised to take all actions, do all things and execute all documents and agreements necessary or considered by them to be expedient to give effect to such transactions"

2. Ordinary Resolution; Issue of 147,891,069 ordinary fully paid shares to the shareholders of Eqlis ("Consideration Shares")

"That the Directors of the Company are authorised to issue 147,891,069 ordinary fully paid shares in the Company to the shareholders of Eqlis as specified in the Explanatory Notes to resolution 2, at an issue price of \$0.33 per share in satisfaction of the purchase price payable under the Sale Agreement ("Consideration Shares") on the date of the completion of the Acquisition of the Eqlis Shares, and are further authorised to take all actions, do all things and execute all documents and agreements necessary or considered by them to be necessary or expedient to issue the Consideration Shares, such Consideration Shares when issued, shall rank equally with all existing ordinary shares of the Company."

3. Ordinary Resolution; Issue of up to 37,931,034 new ordinary fully paid shares and up to 18,965,517 options to a combination of existing CBD shareholders, existing Eqlis shareholders, and third party investors

"That the Directors of the Company are authorised to:

(a) offer and issue up to 37,931,034 ordinary fully paid shares in the Company to shareholders of Cannasouth, Eqlis and third party investors ("Capital Raise Shares") at an issue price of \$0.29 per Capital Raise Share through the offer structure described in the explanatory notes to resolution 3, such Capital Raise Shares when issued, to rank equally with all existing ordinary shares of the Company; offer and Issue one option for every two Capital Raise Shares issued (being up to

18,965,517 options) at an exercise price per option of \$0.29 each, and otherwise on the terms described in the explanatory notes to resolution 3 ("Capital Raise Options"); and

(b) take all actions, do all things and execute all documents and agreements necessary or considered by them to be necessary or expedient to issue the Capital Raise Shares and the Capital Raise Options."

4. Ordinary Resolution; Appointment of Greg Misson as Director

"That Greg Misson be appointed as a director of the Company with effect from completion of the Merger Transaction."

5. Ordinary Resolution; Appointment of Hilary Webber as Director

"That Hilary Webber be appointed as a director of the Company with effect from completion of the Merger Transaction."

6. Ordinary Resolution; Appointment of Mark Scapens as Director

"That Mark Scapens be appointed as a director of the Company with effect from completion of the Merger Transaction."

7. Ordinary Resolution; Approval of Directors' Fees

"That the aggregate maximum amount of fees which can be paid to the Directors be increased by \$100,000 from the current pool of \$250,000 per annum to an aggregate sum not exceeding \$350,000 in respect of each financial year, where such amount (or lesser amount determined by the Directors for a financial year) will be divided among the Directors in such proportion and in such manner as they may agree"

8. Ordinary Resolution; Issue of up to 17,746,928 Options to Employees, Contractors, and Non-executive Directors

"That the Directors of the Company are authorised to:

(a) issue up to 17,746,928 options to acquire ordinary shares in the Company, Cannasouth Limited - Notice of Special Meeting of Shareholders - April 2023 5 to employees, contractors, and to non-executive Directors of the Company on the terms set out in the Explanatory Notes accompanying this Notice of Meeting; and

(b) take all action, do all things, and execute all documents and agreements necessary or considered by them to be expedient to give effect to the issue of the options."

The following are details of the total number of votes cast in person or by a proxy holder.

No.	Resolution	For	Against	Abstain
1	THAT THE SHARE SALE DEED BETWEEN THE COMPANY AND SHAREHOLDERS OF EQUALIS GROUP NZ LIMITED AND THE TRANSACTIONS DESCRIBED IN THE SALE AGREEMENT BE APPROVED, FULLY DESCRIBED IN THE NOTICE OF MEETING.	64,881,271 99.62%	249,629 0.38%	65,720

No.	Resolution	For	Against	Abstain
2	THAT THE DIRECTORS ARE AUTHORISED TO ISSUE 147,891,069 SHARES TO THE SHAREHOLDERS OF EQALIS, AT \$0.33 PER SHARE, FULLY DESCRIBED IN THE NOTICE OF MEETING.	64,555,152 99.31%	447,767 0.69%	193,701
3	THAT THE DIRECTORS ISSUE 37,931,034 SHARES AND 18,965,517 OPTIONS TO EXISTING CBD SHAREHOLDERS, EXISTING EQALIS SHAREHOLDERS, AND THIRD PARTY INVESTORS, FULLY DESCRIBED IN THE NOTICE OF MEETING.	41,114,245 98.98%	423,448 1.02%	156,637
4	THAT GREG MISSON BE APPOINTED AS A DIRECTOR OF THE COMPANY WITH EFFECT FROM COMPLETION OF THE MERGER TRANSACTION.	64,065,930 99.61%	251,705 0.39%	878,985
5	THAT HILARY WEBBER BE APPOINTED AS A DIRECTOR OF THE COMPANY WITH EFFECT FROM COMPLETION OF THE MERGER TRANSACTION.	63,976,706 99.60%	254,092 0.40%	965,822
6	THAT MARK SCAPENS BE APPOINTED AS A DIRECTOR OF THE COMPANY WITH EFFECT FROM COMPLETION OF THE MERGER TRANSACTION.	63,982,418 99.58%	267,018 0.42%	947,184
7	THAT THE AMOUNT OF FEES PAID TO THE DIRECTORS BE INCREASED BY \$100,000 FROM \$250,000 PER ANNUM TO A SUM NOT EXCEEDING \$350,000, FULLY DESCRIBED IN THE NOTICE OF MEETING.	60,704,854 96.65%	2,106,963 3.35%	969,704
8	THAT THE DIRECTORS ISSUE 17,746,928 OPTIONS TO ACQUIRE ORDINARY SHARES IN THE COMPANY, TO EMPLOYEES, CONTRACTORS, AND TO NON-EXECUTIVE DIRECTORS, FULLY DESCRIBED IN THE NOTICE OF MEETING.	63,559,613 98.78%	783,935 1.22%	824,306

Receiving shareholder approval today gives us the green light to immediately proceed with the next component of the merger and collateral restructure transaction – namely the launch of the capital raising initiative.

We anticipate that we will be making an announcement regarding the launch of the capital raising on Monday, 1 May 2023.

-ENDS-

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

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About Cannasouth Limited

Cannasouth is a vertically integrated biopharmaceutical Group. The Group has been established to focus on the commercial development of the medicinally beneficial attributes of cannabinoid compounds produced by the cannabis plant, and other health products and medicines. Our goal is to support patients' health outcomes and improve their quality of life. Our products will be produced under GxP, using environmentally friendly methods, ensuring patients are treated with therapeutic products of the highest quality. Cannasouth Limited is the parent company, listed on the NZX, and is 100% owner of Cannasouth Bioscience Ltd and Cannasouth Cultivation Ltd.

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