

MMJ Group Holdings Ltd

09:58 26 Sep 2019

MMJ Group Holdings invests C\$6 million in Canadian listed company WeedMD INC

MMJ Group Holdings Ltd (ASX:MMJ) has invested C\$6 million in Canadian listed company WeedMD Inc (CVE:WMD).

MMJ worked with its specialist management company, Embark Ventures, to evaluate the investment opportunity and WeedMD is the third investment made for MMJ.

Multi-channelled distribution strategy

WeedMD Inc is the publicly-traded parent company of WeedMD Rx Inc - a federally licensed producer of cannabis products for both the medical and adult-use markets.

The company owns and operates a 158-acre state-of-the-art greenhouse and outdoor facility location in Strathroy, Ontario.

WeedMD also operates CX industries, a wholly-owned subsidiary of Weed MD which operates out of the company's fully licenced 26,000 square foot Aylmer, Ontario production facility.

The Canadian cannabis producer has a multi-channelled distribution strategy that includes selling directly to medical patients as well as maintaining strategic relationships across the seniors' market and supply agreements with Shoppers Drug Mart.

Investment details

MMJ's investment consists of CAD\$6 million in 8.5% unsecured convertible debenture units issued by WeedMD which may be converted into 3.75 million shares within three years.

MMJ has also secured the right to make further investments in WeedMD through warrants that allow MMJ to acquire an additional 3.75 million shares for CAD \$1.80 each for a period of three years.

Settlement of the WeedMD investment is expected on or about September 26 and will be funded from MMJ's existing cash reserves of AUD\$20 million.

Price: 0.093

Market Cap: \$21.39 m

1 Year Share Price Graph



Share Information

Code: MMJ

Listing: ASX

52 week High Low
0.31 0.062

Sector: Cannabis

Website: www.mmjgh.com.au

Company Synopsis:

MMJ Group Holdings Ltd (ASX:MMJ), formerly known as MMJ Phytotech Ltd, owns a portfolio of minority investments and aims to invest across the full range of emerging cannabis-related sectors. The company is listed on the Australian Securities Exchange.

action@proactiveinvestors.com.au

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Contact us +61 (0)2 9280 0700 action@proactiveinvestors.com.au

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