

ASX RELEASE (21 SEPTEMBER 2020)

Cleansing Prospectus

THC Global Group Limited (**THC Global** or the **Company**) (ASX:THC) advises that it will today lodge a Cleansing Prospectus with the Australian Securities and Investments Commission (**ASIC**) pursuant to section 713 of the *Corporations Act 2001* (Cth) (the **Corporations Act**) for the purpose of section 708A(11) of the Corporations Act with respect to the share placement conducted in June 2020.

The placement conducted in June 2020 involved the issue of 22,003,331 fully paid ordinary shares without disclosure to investors under Part 6D.2 of the Corporations Act (the **June 2020 Placement**), and pursuant to the Company's available placement capacity under both Listing Rule 7.1 and the ASX's Class Waiver Decision – Temporary Extra Placement Capacity.

The Company lodged a Cleansing Statement which was released on 25 June 2020, however on review this has been determined to be not sufficient to adequately satisfy section 708A(5) in relation to the June 2020 Placement shares (although it was effective for the contemporaneous share purchase plan).

Notwithstanding the Company's opinion that the market was always informed, and that there was no excluded information (as that term is defined in section 708A(7) of the Corporations Act) known to the Company between the release of the Cleansing Statement on Thursday, 25 June 2020 and the final issue date of the June 2020 Placement shares on Monday, 29 June 2020 (being two trading days later), the Company has taken the step of issuing a Cleansing Prospectus to rectify the matter.

The Company affirms its compliance and corporate governance focus and notes that the Company would have issued a second Cleansing Statement on or within 5 business days of Monday 29 June 2020 had it been aware of the requirement to do so. As a result, the Company will file an application with the Federal Court of Australia seeking declaratory relief and ancillary orders relating to prior trading in the shares issued in the June 2020 Placement.

Following an expedited preparation, the Company has instructed lawyers to make an urgent application to the Federal Court with instructions to seek the relief referred to above on the first listing of the application, which the Company expects to be tomorrow.

A copy of the Cleansing Prospectus to be lodged with ASIC today is annexed to this announcement. The Company notes that the purpose of the offer made under the Cleansing Prospectus is for technical compliance and as a result is for a nominal amount only. It should not be read as an offer to shareholders (or others) generally.

Strategic and Financial Review

The Board is pleased to reaffirm the previously announced strategic and financial review (announced September 2020) of the Company's global operations. To date the interim outcomes of this review, which is ongoing, have been positive with respect to the repositioning of the Company and the conservation of existing cash reserves.

The Company expects to report to shareholders on the completion of this review following the end of the quarter. Otherwise the Company's domestic and global business activities are continuing, and the Company will continue to inform shareholders and the market on its progress and developments.



For further information, please contact:



Jarrod White
Group Chief Executive Officer
e: ceo@thc.global

Sonny Didugu
Group Chief Operating Officer
e: coo@thc.global

Philip Leighfield
Joint Company Secretary
e: corporate@thc.global

ASX release authorised by THC Global's Management Committee.

THC Global Group Limited (ASX: THC)

THC Global is a diversified global cannabis company with primary operations in Australia and Canada. THC Global is the first ASX listed entity to fully own and operate end to end commercial medicinal cannabis production facilities under Australia's cannabis regulations. THC Global's Southport Facility in Southport, Australia is one of the largest pharmaceutical GMP cannabis manufacturing facilities in the world. THC Global also owns and operates a fast growing turnkey cultivation solutions provider, including a hydroponics equipment and supplies wholesaler and retailer servicing the rapidly expanding cannabis sectors in North America and Europe.

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Cleansing Prospectus

THC Global Group Limited
ACN 614 508 039

An offer of up to 3,000 New Shares in the Company at an issue price of \$0.30 per New Share to raise up to \$900

Dated: 21 September 2020

This is an important document. You should read this document in its entirety.

This Prospectus has been prepared pursuant to section 713 of the Corporations Act, for the purposes of section 708A(11) of the Corporations Act, to remove any secondary trading restrictions on the sale of securities issued by the Company.

If, after reading this document, you have any questions, please contact the Company for more information or alternatively seek independent professional advice on any aspects of which you are not certain.

IMPORTANT INFORMATION

This Prospectus relates to the Offer of up to 3,000 New Shares in the Company at an issue price of \$0.30 per New Share. The Offer contained in this Prospectus is an invitation to investors only to acquire fully paid ordinary shares in the Company that will be issued by the Company.

Lodgement and quotation

This Prospectus is dated 21 September 2020 and was lodged with ASIC on that date. None of ASIC, ASX or their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. The Company will apply for quotation of any New Shares on ASX issued under this Prospectus within 7 days after the date of this Prospectus. This Prospectus expires on 21 October 2021, the date which is 13 months after this Prospectus has been lodged, and no New Shares will be issued on the basis of this Prospectus after this date.

In preparing this Prospectus, regard has been had to the fact that ASX maintains a database of publicly disclosed information about the Company, that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to potential investors and professional advisers with whom potential investors may consult.

This Prospectus has been prepared pursuant to section 713 of the Corporations Act, which allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities. It is intended to be read in conjunction with publicly available information, as described in Section 7.1 below.

Note to prospective investors

The information contained in this Prospectus is not financial product advice and does not take into account the investment objectives, financial situation or particular needs of any prospective investor. It is important that any prospective investor reads this Prospectus carefully and in full before deciding whether to invest in the Company. In considering the prospects of the Company, a prospective investor should consider the risks that could affect the financial performance or position of the Company. A prospective investor should carefully consider these risks in the light of their investment objectives, financial situation and particular needs (including

financial and taxation issues) and seek professional advice from their accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest. There are risks of investing in the Company outlined in Section 6 of this Prospectus, but there may be risk factors in addition to these that should be considered in the light of your personal circumstances.

No person named in this Prospectus, nor any other person, guarantees the performance of the Company, the repayment of capital by the Company or the payment of a return on the New Shares.

No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Prospectus.

Obtaining a copy of this Prospectus

This Prospectus may be obtained from the Company's website at thc.global. Shareholders in other jurisdictions (including the United States), or who are, or are acting for the account or benefit of, a person in the United States are not entitled to access the electronic version of this Prospectus. Persons who access the electronic version of this Prospectus on the Company's website should ensure they download and read the entire Prospectus.

Forward looking statements

Some of the statements appearing in this document may be in the nature of forward looking statements.

Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and such deviations are both normal and to be expected.

Neither the Company nor any of its officers, or any person named in this document or involved in the preparation of this document, make any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, and prospective investors are cautioned not to place undue reliance on those statements.

The forward looking statements in this document reflect views held only as at the date of this document. The Company does not have an obligation to disseminate after the date of this

document any updates or revisions to any such statements to reflect any change in expectations in relation to those statements or any change in events, conditions or circumstances on which any of those statements are based unless required to do so under the Corporations Act to update or correct this document or pursuant to the Company's continuous disclosure obligations under the ASX Listing Rules and the Corporations Act.

Defined terms

Capitalised terms and abbreviations used in this Prospectus have the meanings given to them in Section 8 of the Prospectus.

Disclaimer

Except as required by law, and only to the extent so required, neither the Company nor any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

It is expected that the New Shares will be quoted on ASX.

Foreign jurisdictions

This Prospectus does not constitute an offer or invitation to apply for New Shares in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation. No action has been taken to register or qualify the New Shares or the Offer, or to otherwise permit a public offering of the New Shares, in any jurisdiction outside Australia.

The distribution of this Prospectus outside Australia may be restricted by law and persons who come into possession of this Prospectus outside Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register,

including bidders for your securities in the context of takeovers, regulatory bodies, authorised securities brokers, print service providers, mail houses and the share registry. You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information are governed by legislation including the *Privacy Act 1988*, the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for New Shares, the Company may not be able to accept or process your application.

1. Corporate Directory

Company details

THC Global Group Limited

ACN 614 508 039

ASX Code: THC

Directors

Steven Xu	Non-Executive Chairman
Alan Beasley	Non-Executive Deputy Chairman
Lou Cattelan	Non-Executive Director
Gary Radcliff	Non-Executive Director

Key office holders

Jarrod White	Group Chief Executive Officer
Sonny Didugu	Group Chief Operating Officer & Joint Company Secretary
Philip Leighfield	Joint Company Secretary

Registered office

Suite 4102 Level 41
264-278 George Street
Sydney NSW 2000
Australia

Other contact details

Telephone	+61 2 9066 3200
Email	corporate@thc.global
Website	thc.global

Share registry

Computershare Investor Services Pty Limited
Yarra Falls,
452 Johnston Street
Abbotsford VIC 3067
p: +61 (3) 9415 4000 and 1300 850 505

2. Offer summary

Question	Details
What is the Offer?	<p>This Prospectus relates to the Offer to be made by the Company of up to 3,000 New Shares at an issue price of \$0.30 per New Share to raise up to \$900.00</p> <p>For further details see Section 3.</p>
What is the purpose of the Prospectus?	<p>The Prospectus has been prepared pursuant to section 713 of the Corporations Act and for the purposes of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares that were issued by the Company under the June 2020 Placement prior to the Closing Date.</p> <p>The June 2020 Placement was announced on ASX on 22 June 2020 (refer Section 5).</p> <p>For further details see Section 3.</p>
When is the Offer Period?	<p>The Opening Date is 21 September 2020 and the Closing Date is 5.00 pm (Sydney time) on 22 September 2020.</p> <p>For further details see Section 3.</p>
How are Applications for New Shares to be made?	<p>Applications for New Shares are to be made by mailing or delivering a completed Application Form and cheque to:</p> <p>The Company Secretary THC Global Group Limited Suite 4102 Level 41 264-278 George Street Sydney NSW 2000</p> <p>Cheques are payable to 'THC Global Group Limited' and should be accompanied with the Application Form.</p> <p>For further details see Section 3.4.</p>
What key risk factors should be considered?	<p>There are a number of key risk factors that should be considered by a prospective investor in the Company, of both a general nature and specific to the Company.</p> <p>For further details see Section 6.</p>
How do the New Shares rank?	<p>The New Shares are fully paid ordinary shares in the Company and will rank equally with existing Shares from the date of their issue.</p> <p>For further details see Section 7.2.</p>
What is the effect of the Offer on the Company?	<p>The effect of the Offer on the capital structure, financial position and control of the Company is detailed in Section 4.</p>
How can I obtain more information?	<p>If you have further questions or enquiries regarding the Offer, please contact the Company at corporate@thc.global.</p>

3. What is the Offer?

The Company is admitted to the official list of ASX and its Shares are quoted on ASX. The ASX Listing Rules apply to all Shares and other securities issued by the Company.

The Offer is an invitation to Investors to subscribe for up to 3,000 New Shares at an issue price of \$0.30 per New Share.

3.1 Why is the Offer being conducted?

The key purpose of this Offer and the lodgement of this Prospectus is, pursuant to section 708A(11) of the Corporations Act, to remove any trading restrictions that may have attached to Shares issued under the June 2020 Placement prior to the Closing Date.

The Company is only seeking to raise a nominal amount of \$900 from the Offer, having regard to the key purpose being related to removing any such trading restrictions.

3.2 When is the Offer open?

The Opening Date of the Offer is 21 September 2020 and the Closing Date of the Offer is 5.00 pm (Sydney time) 22 September 2020, subject to the Company's right to close the Offer early without notice.

3.3 Is the Offer underwritten?

The Company has not engaged an underwriter in relation to the Offer and there is no sponsoring broker.

3.4 How are Applications to be made?

An Application for New Shares must be made using an Application Form.

An Application Form should only be submitted if you have been invited to do so by the Directors. The Directors reserve the right to issue New Shares pursuant to the Offer at their absolute discretion.

All Application Monies for New Shares to be issued pursuant to the Offer will be held in trust on behalf of applicants until the New Shares are issued or, if the New Shares are not issued, until the Application Monies are returned to applicants. All interest earned on Application Monies (including those which do not result in the issue of Shares) will be retained by the Company.

4. How will the offer impact the Company?

4.1 Capital structure impact

(a) How will the Offer affect the capital structure of the Company?

Below is a summary of the effect of the Offer on the capital structure of the Company as at the date of this Prospectus.

Capital structure	Number on issue
Shares currently on issue	175,977,774
New Shares to be issued under the Offer	3,000
Total Shares on issue on completion of the Offer	175,980,774

Note, the above capital structure:

- assumes that the Offer will be fully subscribed; and
- assumes the Company will not issue any other Shares or Options during the Offer Period, including pursuant to the June 2020 Placement.

4.2 Financial position impact

If the Offer is fully subscribed, the Company's cash balance will be impacted as follows.

Financial position	Amount
Increase in the Company's cash balance as a result of the Offer	\$900
Estimated expenses of the Offer	\$10,000
Net decrease in the Company's cash balance	\$9,100

4.3 Potential effect on control of the Company

At the date of this Prospectus the holdings of the top 20 shareholders of the Company are as follows:

Shareholder	Shares	Voting power
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	3,246,315	1.84%
CITICORP NOMINEES PTY LIMITED	2,710,980	1.54%
BARCOO HOLDINGS PTY LTD <WYAN FAMILY INVESTMENTS>	2,636,285	1.50%
HEALTH360 INVESTMENT MANAGEMENT INC	2,373,334	1.35%
META GROWTH CORP	2,198,737	1.25%
MR GEORGE DAABOUL	2,000,000	1.14%
MR NICHOLAS CHARLES DEVERELL POWNALL	1,979,929	1.13%
AGRI FIBRE INDUSTRIES PTY LTD	1,977,512	1.12%
JAMPLAT PTY LTD	1,925,000	1.09%
MRS KATJA GORDON	1,865,000	1.06%
BARCOO HOLDINGS PTY LTD <MAPLE VENTURES>	1,822,019	1.04%
UNE-INNOVATION CONSULTING AUSTRALIA PTY LTD	1,587,302	0.90%
PEARS DAISLEY PTY LTD <DAISLEY PEARS A/C>	1,500,000	0.85%
BEARAY PTY LTD <BRIAN CLAYTON S/F A/C>	1,432,960	0.81%
SAWFAM PTY LTD <SAWYER SUPER FUND A/C>	1,409,751	0.80%
BELL PRO INVESTMENTS PTY LIMITED	1,331,043	0.76%
BEARAY PTY LIMITED <BRIAN CLAYTON S/F A/C>	1,250,000	0.71%
MADONNA ANDREWS <ANDREWS FAMILY A/C>	1,023,810	0.58%
ZAJANA PTY LTD <THE ZAJANA A/C>	1,022,292	0.58%
MMR CORPORATE SERVICES PTY LTD	1,000,000	0.57%
	36,292,269	20.62%

If the Offer is fully subscribed, the Offer will not have a material effect on the control of the Company.

5. June 2020 Placement

On 22 June 2020, the Company announced that it had completed a placement to raise \$6.6 million from institutional and sophisticated investors at an issue price of \$0.30 per share. A total of 22,003,331 Shares were issued on 29 June 2020 under the June 2020 Placement, raising \$6,600,999.30 before costs. For further details on the June 2020 Placement, refer to the Company's announcement dated 22 June 2020.

The June 2020 Placement Shares were issued without disclosure under Part 6D.2 of the Corporations Act. On Thursday 25 June 2020, the Company issued a Cleansing Statement intended to comply with section 708A(5) to exempt the Company from being required to provide such disclosure. However, the Company has since become aware that the Cleansing Statement issued on 25 June 2020 was not sufficient to satisfy section 708A(5) with respect to the June 2020 Placement Shares as it was issued two business days before the final issue of the June 2020 Placement Shares (on Monday 29 June 2020) and did not make specific reference to the June 2020 Placement and did not relate to the June 2020 Placement. Notwithstanding the Company's opinion that the market was always informed, and that there was no excluded information (as that term is defined in section 708A(7) of the Corporations Act) between the issue of the Cleansing Statement on 25 June 2020 and the final issue date of the June 2020 Placement Shares on 29 June 2020.

To rectify this matter the Company is issuing this Prospectus and will file an application with the Federal Court of Australia seeking declaratory relief and ancillary orders relating to prior trading in the relevant June 2020 Placement Shares so that any on-sales prior to the issue of this Prospectus will be validated and not attract any civil liability. Pursuant to section 708A(11) of the Corporations Act, the purpose of this Prospectus is to remove any trading restrictions that may have attached to June 2020 Placement Shares prior to the Closing Date.

6. Key risk factors

The following contains a summary of some of the key risks associated with an investment in the Company. This summary of risks below should be considered in the context of previous disclosures made by the Company in accordance with its periodic and continuous disclosure obligations. The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

- **Licences and Regulatory Risk:** As a medicinal cannabis company, the Company is subject to strict licencing and regulation. The ongoing maintenance of the Company's operating licences and permits is required to continue certain activities. Accordingly, should the Company lose any of its main operating licences or permits, the Company's ability to continue as a medicinal cannabis cultivator, manufacturer, and wholesaler may be materially impeded. Whilst the Company holds licences and permits from the Australian Office of Drug Control to operate its current facilities at Bundaberg, Queensland and Southport, Queensland, there is no guarantee that these licences and approvals will continue to be granted, nor any guarantee that any new ones will be granted.
- **Reliance on Key Personnel:** The Company is reliant on certain members of its management team and technically qualified employees to ensure the continued operation and development of the Company, particularly with respect to cannabis cultivation and processing. Given the nature of the Company's operations and its size, should key members of the Company leave, there is a risk that the Company may not be able to immediately replace those persons (for example, persons named on our operating licences) and/or that there may be a loss of corporate knowledge as a result of their departure.
- **Changes in Laws and Regulations:** The Company's operations, particularly with respect to cannabis, may be affected as a result of changes in laws or regulations. Generally, changes in laws and regulations including with respect to international trade, narcotics and pharmaceutical handling, and other areas of law or regulation may also affect the Company.
- **Future Capital Requirements:** As a consolidated group, THC Global is presently not cash flow positive and accordingly relies on raising funds to continue to fund its operations. The Company does not presently intend on raising additional capital to fund continuing operations, however there is no guarantee that additional funding will not be required to achieve the objectives of the business. Further, if additional funding is required, there is no guarantee that such funding will be available at the time.

Finally, any equity financing may be dilutive to shareholders and any debt financing may involve, amongst other things, restrictive covenants which may limit the Company's operations and business strategy.

- **Product Liability:** As the Company is involved in the pharmaceutical industry, there is a risk that products the Company manufactures or supplies may cause unintended risk or injury to consumers or unknown adverse reactions. Although the Company has appropriate procedures in place for quality testing and control, there is no guarantee that any issues will be detected prior to any potential adverse consequences. Should such an event occur, the Company may be at further risk of losing its licences, being subject to regulatory action, or litigation. Whilst the Company currently maintains product liability insurance, there is no guarantee that the Company will be able to continue to secure such cover and no guarantee that such cover would be adequate for any such incident.
- **Acquisition and New Markets Risk:** As part of the Company's business strategy, the Company may make acquisitions of significant investments in other entities or assets. Any future transaction would be subject to the risks commonly encountered in that type of acquisition. Similarly, as and when the Company enters new markets, the Company will be subject to the risks inherent to those markets.
- **Economic and Government Risk:** The future viability of the Company is also dependent on a number of other factors affecting performance of all sectors in the economy, including without limitation: general economic conditions in jurisdictions in which the Company operates changes in government policies, taxation and other laws in jurisdictions in which the Company operates; the strength of the equity and share markets in Australia and throughout the world, and in particular investor sentiment towards the cannabis sector; movement in, or outlook on, interest rates and inflation rates in jurisdictions in which the Company operates; and natural disasters, social upheaval or war in jurisdictions in which the Company operates.
- **Market Conditions:** Equity market conditions may affect the value of the Company's quoted securities irrespective of underlying operating performance. Market conditions may be affected by general economic outlook, introduction of tax reform or other new legislation, interest rates and inflation rates, changes in investor sentiment toward certain market sectors, the demand for and supply of capital, global pandemics, and terrorism or other hostilities. The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.
- **Dividends:** Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.
- **Liquidity Risk:** There may be relatively few potential buyers or sellers of the Shares on ASX at any time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares.

Investors should consider that an investment in the Company and is speculative, and should consult their professional advisors before deciding whether to participate in the Offer. Any New Shares issued in connection with this Prospectus are speculative in nature and carry no guarantee with respect to the payment of dividends, return of capital, or market value.

7. Additional information

7.1 Continuous disclosure and inspection rights

The Company is a 'disclosing entity' under the Corporations Act. This means it is subject to regular reporting and disclosure obligations, which require it to disclose to ASX any information of which it is or becomes aware concerning the Company and which a reasonable person would expect to have a material effect on the price or value of securities of the Company.

Copies of Company documents lodged with ASIC may be obtained from, or inspected at, an office of ASIC. As required under the Corporations Act, the Company will provide you with a copy (upon request and free of charge during the Offer Period) of:

- the most recent annual financial reports lodged with ASIC on 31 March 2020 for the financial year ended 31 December 2019 (**2019 Annual Report**);
- the half year financial report lodged with ASIC on 31 August 2020;
- all continuous disclosure notices given by the Company after the lodgement of the 2019 Annual Report with ASIC on 31 March 2020 and before the lodgement of this Prospectus with ASIC.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with ASIC are set out in the table below.

Date	Description of ASX announcement
22 April 2020	Medicinal Cannabis Australian Release and Export Update
30 April 2020	THC Global Quarterly Update & Appendix 4C
30 April 2020	THC Global Secures \$4m Debt Facility
4 May 2020	Cleansing Statement
4 May 2020	Proposed issue of Securities - THC
8 May 2020	Trading Halt
12 May 2020	THC Global appoints joint company secretaries
12 May 2020	THC Global acquires leading clinic network Tetra Health
21 May 2020	THC Global cannabis product available via prescription
22 May 2020	Proposed issue of Securities - THC
28 May 2020	Cleansing Statement
28 May 2020	Appendix 3G
28 May 2020	Appendix 2A
29 May 2020	Appendix 2A
29 May 2020	THC Global establishes presence in growing CBD market
1 June 2020	Tetra Health Acquisition Completed and Products Launching
12 June 2020	THC Global Investor Presentation - June 2020
15 June 2020	THC Global Commences Production Deal with Cannatrek
16 June 2020	Trading Halt
22 June 2020	Proposed issue of Securities - THC
22 June 2020	Proposed issue of Securities - THC
22 June 2020	THC Global Completes \$6.6 million Institutional Placement
25 June 2020	Share Purchase Plan Opens
25 June 2020	Cleansing Statement

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Date	Description of ASX announcement
25 June 2020	THC Global Signs Production Agreement with Medleaf
26 June 2020	Notice of Annual General Meeting and Sample Proxy Form
29 June 2020	Appendix 2A
2 July 2020	THC Global Medicinal Cannabis Sales Update
6 July 2020	THC Global Canadian Operations & SPP Update
17 July 2020	Change of Director's Interest Notice
17 July 2020	Annual General Meeting Update
17 July 2020	THC Global Completes Capital Raising
20 July 2020	Appendix 2A
24 July 2020	Change of Director's Interest Notice
24 July 2020	Change of Director's Interest Notice
30 July 2020	Results of Annual General Meeting
31 July 2020	THC Global Quarterly Update & Appendix 4C
28 August 2020	Appendix 2A
31 August 2020	Half Yearly Report and Accounts
2 September 2020	Senior Executive Leadership Changes and Strategic Review
8 September 2020	Change of Director's Interest Notice
16 September 2020	Response to ASX Accounts Query

At the date of this Prospectus, there is no information that has not been disclosed under the continuous disclosure requirements of the ASX Listing Rules and which the Board considers would reasonably be required in order to assess the Company's assets and liabilities, financial position and prospects and the rights and liabilities attaching to Shares in the Company.

7.2 Rights attaching to New Shares

New Shares issued pursuant to this Prospectus will be fully paid ordinary shares in the capital of the Company and will rank equally with the existing Shares including for any dividend issued after the date of this Prospectus.

The rights and liabilities attaching to Shares are set out in the Company's Constitution and are regulated by the Corporations Act, the general law, the ASX Listing Rules and ASX Settlement Operating Rules. The Constitution may only be varied by a special resolution passed by at least 75% of Shareholders present (and entitled to vote).

The following is a summary of the principal rights of Shareholders.

Issue of Shares

The power to issue Shares and other securities in the capital of the Company lies with the Board, subject to the restrictions contained otherwise in the Constitution, the ASX Listing Rules and the Corporations Act.

Voting

Every Shareholder present in person or by proxy at a meeting of Shareholders has one vote on a vote taken by a show of hands, and on a poll, every Shareholder who is present in person or by proxy has one vote for

every fully paid Share held. A poll may be demanded at a meeting in the manner permitted by the Corporations Act.

Dividends

Dividends are payable upon the determination of the Directors, who may fix the amount, time for payment and method of payment of dividends.

Transfer of Shares

Subject to the Corporations Act, Listing Rules and ASX Settlement Operating Rules, a Shareholder may transfer Shares by an instrument in writing in a form approved by the Directors. Except as otherwise provided for in the ASX Listing Rules or the ASX Settlement Operating Rules, the Directors may in certain circumstances refuse to register any transfer of Shares, or request ASX or the share registry to apply a holding lock to prevent a proper ASX transfer of Shares.

Meetings and Notice

Each Shareholder is entitled to receive notice of, and to attend, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act and the ASX Listing Rules. A Director may call a meeting of members and members may also requisition or convene general meetings in accordance with the procedures for member-initiated meetings set out in the Corporations Act. Shareholders must be given at least 28 days written notice of any general meeting unless otherwise permitted by the Corporations Act.

Rights on Winding Up

All Shares rank equally in the event of a winding up, subject to any amount remaining unpaid on any Shares. Once all the liabilities of the Company are met, the liquidator may, with the sanction of a special resolution of the members, divide amongst the members all or any of the Company's assets and for that purpose determine how the liquidator will carry out the division between the different classes of members.

Variation of Rights

If the Company's Share capital is divided into different classes of Shares, the rights attached to any class may be varied or cancelled by a special resolution passed at a general meeting of the holders of Shares in that class or with the written consent of three quarters of the holders of Shares in that class.

Unmarketable Parcels

If a Shareholder holds a number of Shares that is less than a marketable parcel (as defined in the ASX Listing Rules), the Company has the power to sell or dispose of such Shares unless otherwise instructed by the Shareholder. The net proceeds from the sale will be paid to the Shareholder.

7.3 Interests of Directors

Other than as announced to ASX, set out below or elsewhere in this Prospectus, no Director, or any entity in which a Director is a partner or director, has or has had in the 2 years before the date of this Prospectus, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer: or
- the Offer,

and no amounts have been paid or agreed to be paid (in cash, Shares or otherwise) and no other benefit has been given or agreed to be given to any Director or to any entity in which a Director is a partner or a Director, either to induce him to become, or qualify as, a Director or otherwise for services rendered by him or by the entity in connection with the formation or promotion of the Company or the Offer.

7.4 Directors interests

The interests of the Directors (including via controlled entities) in shares of the Company at the date of this Prospectus are as follows:

Director	Shares
Steven Xu	1,830,636
Alan Beasley	880,000
Lou Cattelan	327,803
Gary Radcliff	207,516

The Directors will not participate in the Offer.

7.5 Directors remuneration

The following table shows the total annual remuneration paid (or to be paid) to Directors of the Company (which includes cash salary as well as accrued annual leave entitlements, and includes statutory superannuation if relevant).

Director	Remuneration
Steven Xu	\$145,000 per annum
Alan Beasley	\$55,000 per annum
Lou Cattelan	\$50,000 per annum
Gary Radcliff	\$50,000 per annum

7.6 Related party transactions

There are no related party transactions entered into that have not been the subject of ASX announcements or otherwise disclosed in this Prospectus.

7.7 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- promoter of the Company; or
- underwriter to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held in the 2 years before the date of lodgement of this Prospectus with ASIC, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer or the Offer itself; or
- the Offer,

and no amounts have been paid or agreed to be paid (in cash, Shares or otherwise) and no other benefit has been given or agreed to be given to any of the above persons for services rendered by him or by the entity in connection with the formation or promotion of the Company or the Offer.

7.8 Restricted securities

None of the Company's issued securities are 'restricted securities' (as defined in the ASX Listing Rules).

7.9 Broker handling fees

No handling fees are payable in connection with the Offer under this Prospectus.

7.10 Taxation

The Directors do not consider that it is appropriate to provide investors with advice regarding the taxation consequences of accepting the Offer under this Prospectus. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to investors in respect of any issue.

7.11 Privacy disclosure

By filling out the Application Form you are providing personal information to the Company through its Share Registry. The Corporations Act requires the Company to include information about each security holder (name, address and details of the securities held) in its public register. This information must remain in the register even if you cease to be a security holder in the Company. The Company, and the Registry on its behalf, may collect, hold and use that Information in order to process your Application, facilitate dividend payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements. Your personal information may also be provided to the Company's members, agents and service providers on the basis that they deal with such information in accordance with the Company's privacy policy.

If you do not provide the information requested in the Application Form, the Company and the Registry may not be able to process or accept your Application.

7.12 Expenses of the Offers

The total expenses of the Offer are estimated to be approximately \$10,000 comprising ASIC lodgement fees, legal fees and other administrative expenses.

7.13 Legal proceedings

To the Directors knowledge, there is no litigation, arbitration or proceedings pending against or involving the Company as at the date of this Prospectus.

7.14 Material contracts

The Company has not entered into any material contracts other than those which have been the subject of ASX announcements or referred to in this Prospectus.

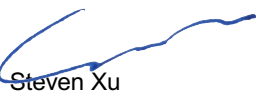
7.15 Authority of Directors

Each of the Directors of the Company has authorised the lodgement of this Prospectus in accordance with section 720 of the Corporations Act and has not withdrawn that consent.

This Prospectus is prepared on the basis that certain matters may reasonably be expected to be known to likely investors or their professional advisors.

Dated: 21 September 2020

For and on behalf of the Board of THC Global Group Limited



Steven Xu
Chairman

8. Defined terms

\$ or A\$ or AUD means references to dollar amounts in Australian currency.

ASIC means the Australian Securities and Investments Commission.

Applicant means the person completing an Application Form.

Application Money has the meaning given to it in the Application Form.

Application Form means the form which is attached to this Prospectus.

ASX means ASX Limited ACN 008 624 691.

ASX Listing Rules means the official listing rules of ASX.

ASX Settlement means ASX Settlement Pty Ltd ACN 008 504 532.

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Business Day means a day that is not a Saturday, Sunday or a public holiday in Sydney, NSW.

Closing Date means 5.00 pm (Sydney time) on 22 September 2020.

Company or **THC** means THC Global Group Limited ACN 614 508 039.

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the board of directors of the Company.

June 2020 Placement has the meaning given in Section 5 of this Prospectus.

June 2020 Placement Shares means the Shares issued in the June 2020 Placement.

New Share means a Share issued pursuant to the Offer under this Prospectus.

Offer means the offer described in Section 2 of this Prospectus.

Offer Period means the Opening Date to the Closing Date.

Official List means the Official List (Listed Companies) as published by ASX.

Opening Date means 21 September 2020.

Option means an option granting the right, but not the obligation, to acquire a Share by way of issue.

Prospectus means this prospectus as prepared by the Company in accordance with the special content rules under section 713 of the Corporations Act and as modified or varied by any supplementary prospectus made by the Company and lodged with ASIC from time to time.

Section means a section of this Prospectus.

Share means a fully paid ordinary share in the issued capital of the Company.

Shareholder means a registered holder of one or more Shares.

Application Form

The Directors
THC Global Group Limited ACN 614 508 039
Suite 4102 Level 41
264-278 George Street
Sydney NSW 2000

Applicant Information

Name and address

Contact details (incl email):

Number of New Shares requested:

CHESS details

PID.....HIN

Application Money

Cheque details

Drawer:

Bank / Branch:

Application

1. I (being the person named in the Application Information above) accept the offer of New Shares described in the prospectus dated 21 September 2020 lodged with ASIC (**Prospectus**) to which this Application forms part.
2. I understand that the Company makes no representation or guarantee in respect of any investment in Shares.
3. I agree that any New Shares described in this Prospectus are issued subject to and bound by the terms of this Prospectus, the Constitution of the Company (as amended from time to time) and the ASX Listing Rules.
4. I acknowledge that:
 - (a) the Prospectus (referred to above) has been lodged by the Company with ASIC in respect of the offer of the New Shares described in the Prospectus;
 - (b) I have read, understood and obtained independent legal and financial advice concerning the Prospectus and this investment in the New Shares;
 - (c) I make this application for New Shares pursuant to the terms of the Prospectus;
 - (d) by lodging this Application Form and a cheque for the Application Money I apply for the number of New Shares specified in this Application Form or such lesser number as may be allocated by the Directors;
 - (e) an investment in the Company is speculative and there is no guarantee that there will be any return on Shares (whether by way of dividends or return of capital or any other manner whatever); and
 - (f) there is no guarantee that there will be any market (whether official or unofficial) for trading of the Company shares generally.
5. This Application is irrevocable and unconditional.

6. The validity and construction of this Application and, where the Application is accepted, the terms on which New Shares are allotted to the Applicant, is governed and construed in accordance with the laws of the State of New South Wales.

Dated:

Execution

Signed sealed and delivered by **[Name of signatory]** in the presence of

Signature of witness

[name of signatory]

Name of witness (print)

For personal use only