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ASX RELEASE

3 November 2021

2021 AGM Notice of Meeting

MMJ Group Holdings Limited (ASX: MMJ) ("MMJ") is an Australian-listed specialist investment company which concentrates on producing capital growth for Shareholders over the medium to long term from investments in listed and unlisted equities and other financial assets.

2021 AGM Notice of Meeting

MMJ wishes to advise that the 2021 Annual General Meeting (**AGM**) will be held on Friday, 17 December 2021 at 12.00pm (AEDT). Please find attached the Notice of Meeting, Proxy Form and Letter to Shareholders.

In light of the restrictions that have been introduced as a result of the COVID-19 pandemic, the AGM will be held as a virtual meeting via MMJ's share registry, Automic Group's online platform only.

MMJ is not sending hard copies of the Notice of Meeting (Notice) to Shareholders. To review and download the Notice, please go to <https://www.mmjgh.com.au/agm>

Shareholders will be able to participate in MMJ's AGM by:

- registering for the AGM at investor.automic.com.au;
- asking questions of the Board and our external auditor:
 - o before the AGM, by lodging questions online at info@mmjgh.com.au; and/or
 - o during the AGM via the question and answer function on the AGM online platform; and
- voting on the resolutions to be considered at the AGM by following the instructions in the Notice.

Investor and Media Enquiries

Announcement authorised for release to ASX by:

Jim Hallam

Chief Financial Officer and Company Secretary

E: Compsec@mmjgh.com.au

About MMJ

MMJ Group Holdings Limited (ASX: MMJ) (ABN 91 601 236 417) ("MMJ") is an Australian-listed specialist investment company which concentrates on producing capital growth for shareholders over the medium to long term from investments in listed and unlisted equities and other financial assets.

For MMJ's latest investor presentation and news, please visit: <https://www.mmjgh.com.au/investors/>

Important Notice

This announcement contains reference to certain intentions, expectations, future plans, strategy and prospects of MMJ. Those intentions, expectations, future plans, strategy and prospects may or may not be achieved. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. The performance and operations of MMJ may be influenced by a number of factors, many of which are outside the control of MMJ. No representation or warranty, express or implied, is made by MMJ, or any of its directors, officers, employees, advisers or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved. Given the risks and uncertainties that may cause MMJ's actual future results, performance or achievements to be materially different from those expected, planned or intended, recipients should not place undue reliance on these intentions, expectations, future plans, strategy and prospects. MMJ does not warrant or represent that the actual results, performance or achievements will be as expected, planned or intended.

Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in MMJ. This document does not constitute any part of any offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of any "US person" as defined in Regulation S under the US Securities Act of 1993 ("Securities Act"). MMJ's shares have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any US person without being so registered or pursuant to an exemption from registration including an exemption for qualified institutional buyers.

Glossary

ABBREVIATION	Definition
AUD	means Australian dollars.
AASB	Australian Accounting Standards Board.
ACMPR	means Access to Cannabis for Medical Purposes Regulations.
ASX	means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.
ASX Listing Rules	means the Listing Rules of ASX.
B2B	Business to business
CAD	means Canadian dollars.
CBD	means Cannabidiol (CBD) is a crystalline, nonintoxicating cannabinoid in cannabis and hemp.
CBG	means Cannabigerol is the non-acidic form of cannabigerolic acid, the parent molecule from which other cannabinoids are synthesized.
Company or MMJ	means MMJ Group Holdings Limited (ACN 601 236 417).
EBITDA	means Earnings before Interest, Tax, Depreciation and Amortisation.
GMP	GMP stands for Good Manufacturing Practices and refers to a system of manufacturing that guarantees reproducibility of product quality to set specifications.
LPs	Canada's Licensed Producers of Cannabis Products
M	means million
MMPR	means Marihuana for Medical Purposes Regulation
MOIC	means multiple on invested capital
NTA	means net tangible assets.
Option	means an option to acquire a Share usually at predetermined price.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a registered holder of a Share.
THC	means THC is the principal psychoactive constituent of cannabis
TSXV	Toronto Stock Exchange Venture
Warrant	means an option to acquire a Share usually at predetermined price.
WST	means Western Standard Time as observed in Perth, Western Australia.

3 November 2021

Dear Shareholders

On behalf of the Directors of **MMJ Group Holdings Limited** (MMJ or the Company), I am pleased to invite you to attend MMJ's Annual General Meeting (AGM or Meeting). In light of the restrictions that have been introduced as a result of the COVID-19 pandemic, the AGM will only be held virtually via our online platform.

The online AGM will be held at **12 PM on 17 December 2021 (AEDT)**.

The virtual Meeting is being hosted by Automic Registry Services, the Company's share registry, using their online meeting platform. Shareholders will be able to watch, listen, and vote online.

To review and download the Notice of Meeting (Notice), including details about how to access the Meeting, please visit our website <https://www.mmjgh.com.au/agm>. Hard copies will not be sent to Shareholders.

The Notice explains in detail the items of business you will be asked to consider at the AGM. You should carefully read the Notice and Explanatory Statement before deciding how to vote on each resolution. To vote by proxy, please complete and sign the attached Proxy Form, and return it in accordance with the instructions set out on the Proxy Form.

Shareholders will be able to participate in MMJ's AGM by:

- attending the virtual AGM as per the instructions set out in the Notice;
- logging in or registering to vote at the AGM at www.investor.automic.com.au;
- asking questions of the Board and our external auditor:
 - before the AGM, by lodging questions online at info@mmjgh.com.au; and/or
 - during the AGM via the question and answer function on the AGM online platform; and
- voting on the resolutions to be considered at the AGM by following the instructions in the Notice.

We recommend logging on to the Company's share registry online platform at least 20 minutes prior to the scheduled start time for the Meeting, using the instructions in the Notice.

Proposal to Broaden MMJ's Investment Mandate

The AGM this year includes two items of Special Business.

a) Broaden MMJ's Investment Mandate

The Company is proposing, subject to Shareholder approval at the AGM, to broaden its existing investment mandate. If approved, the current restriction that limits the Company's investments in non-cannabis assets to 25% of its total assets would be removed. The Company believes that there are opportunities to enhance the returns to Shareholders by further diversifying its investment portfolio to include strategic investments in sectors outside of Cannabis (**Diversification**). The Company has already made significant steps over the past twelve months to diversify the portfolio through investments in the consumer branded product and healthcare sectors.

The proposed Diversification will allow the Company to:

- i. expand its existing investment portfolio and invest in other industries with a view to delivering capital growth over the medium to long term; and
- ii. create greater opportunities for Shareholders to benefit from the growth of a diversified group of investments, in addition to the Company's existing investments.

The proposed Diversification is an internal process, which will broaden the Company's existing investment strategy with Parallax Ventures Inc. continuing to be the Investment Manager of the Company's investments.

b) **Change in Company Name**

The Company is proposing, subject to Shareholder approval at the AGM, to change its name to "**Hygrovest Limited**".

The Board proposes this change of name on the basis that it believes the proposed name more accurately reflects the future operations of the Company in line with the proposed broadening of the Company's investment mandate.

On behalf of the Board, I would like to thank you for your continued support during the year.

Yours faithfully

Peter Wall
Chairman

MMJ GROUP HOLDINGS LIMITED
ACN 601 236 417
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 12:00pm (AEDT)

DATE: 17 December 2021

PLACE: The Company is pleased to provide Shareholders with the opportunity to attend and participate in a virtual Meeting through an online meeting platform powered by Automic, where Shareholders will be able to watch, listen, and vote online.

Details on how to access the virtual Meeting are set out in this Notice.

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00pm (AEDT) on 15 December 2021.

The ASX takes no responsibility for the contents of this Notice.

BUSINESS OF THE MEETING

AGENDA

FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Financial Report of the Company for the financial year ended 30 June 2021 together with the Declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's Annual Financial Report for the financial year ended 30 June 2021.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

A voting prohibition statement applies to this Resolution. Please see below.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – WINTON WILLESEE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 14.2 of the Constitution, Listing Rules 14.4 and 14.5, and for all other purposes, Mr Winton Willesee, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

3. RESOLUTION 3 – APPROVAL OF 7.1A MANDATE

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

4. RESOLUTION 4 – ADOPTION OF INCENTIVE PERFORMANCE RIGHTS PLAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.2 (Exception 13(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Incentive Performance Rights Plan and for the issue of securities under that Plan, on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

5. RESOLUTION 5 – CHANGE OF COMPANY NAME

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*“That, for the purposes of section 157(1)(a) of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed to **Hygrovest Limited**.”*

6. RESOLUTION 6 – CHANGE TO NATURE OF ACTIVITIES

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 11.1.2 and for all other purposes, approval is given for the Company to make a significant change in the nature of its activities as described in the Explanatory Statement accompanying this Notice.”

7. RESOLUTION 7 – APPROVAL TO VARY MANAGEMENT AGREEMENT

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for all purposes, approval is given for the Company to amend the terms of the Management Agreement between the Company and Parallax Ventures Inc. on the terms and conditions set out in the Explanatory Statement.”

Dated: 1 November 2021

By order of the Board

**Jim Hallam
Company Secretary**

Voting Prohibition Statements

Resolution 1 – Adoption of Remuneration Report	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or (b) a Closely Related Party of such a member. <p>However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or (b) the voter is the Chair and the appointment of the Chair as proxy: <ul style="list-style-type: none"> (i) does not specify the way the proxy is to vote on this Resolution; and (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
Resolution 4 – Adoption of Incentive Performance Rights Plan	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (c) the proxy is the Chair; and (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution set out below by or on behalf of the following persons:

Resolution 4 – Adoption of Incentive Performance Rights Plan	<p>A person who is eligible to participate in the employee incentive scheme or an associate of that person or those persons.</p>
Resolution 6 – Change to Nature of Activities	<p>The Company will disregard any votes cast in favour of this Resolution by or on behalf of a counterparty to the transaction that, of itself or together with one or more transactions, will result in a significant change to the nature and scale of the entity's activities and any other person who will obtain a material benefit as a result of the transaction (except a benefit solely by reason of being a Shareholder), or an associate of that person or those persons.</p>
Resolution 7 – Approval to Amend Management Agreement	<p>The Company will disregard any votes cast in favour of this Resolution by or on behalf of Parallax Ventures Inc. (or its nominee) or any of its associates.</p>

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Virtual Meeting

Venue

If you wish to virtually attend the Meeting (which will be broadcast as a live webinar), please pre-register in advance for the virtual Meeting here: www.mmjgh.com.au/agm

After registering, you will receive a confirmation containing information on how to attend the virtual Meeting.

Shareholders will be able to vote and ask questions at the virtual Meeting. Shareholders are also encouraged to submit questions in advance of the Meeting to the Company. Questions must be submitted in writing to Jim Hallam, Company Secretary at info@mmjgh.com.au at least 48 hours before the Meeting.

The Company will also provide Shareholders with the opportunity to ask questions during the Meeting in respect to the formal items of business as well as general questions in respect to the Company and its business.

Shareholders who join the virtual Meeting will have the opportunity to:

- ask questions online of the Chair and the external auditors;
- hear the responses to questions asked online during the Meeting and before the Meeting using the Question Form or online lodgement; and
- cast a vote on the resolutions to be considered at the Meeting.

Voting virtually

Shareholders who wish to vote virtually on the day of the Meeting will need to login to the Automic website (investor.automic.com.au) with their username and password.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account **as soon as possible and well in advance** of the Meeting to avoid any delays on the day of the Meeting.

How do I create an account with Automic?

To create an account with Automic, please go to the Automic website (investor.automic.com.au), click on 'register' and follow the steps. Shareholders will require their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.

I have an account with Automic, what are the next steps?

Shareholders who have an existing account with Automic (Note: with a username and password) are advised to take the following steps to attend and vote virtually on the day of the Meeting:

- Login to the Automic website (investor.automic.com.au) using your username and password.
- If registration for the virtual Meeting is open, click on 'Meeting open for registration' and follow the steps.
- If live voting for the virtual Meeting is open, click on 'Meeting open for voting' and follow the steps.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

If you sign the enclosed Voting Form and no direction is given, the Chair will be appointed as your proxy. The Chair intends to vote undirected proxies on, and in favour of, all resolutions.

Voting in person

The Company is pleased to provide Shareholders with the opportunity to attend and participate in a virtual Meeting through an online meeting platform powered by Atomic, where Shareholders will be able to watch, listen, and vote online.

Resolution by Poll

In accordance with clause 13.16 of the Company's Constitution, the Chair intends to call a poll on each resolution proposed at the Meeting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 2 9236 7334.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2021 together with the Declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

The Company will not provide a hard copy of the Company's Annual Financial Report to Shareholders unless specifically requested to do so. The Company's Annual Financial Report is available on its website at www.mmjgh.com.au.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – WINTON WILLESEE

3.1 General

Listing Rule 14.4 and clause 14.2 of the Constitution provide that, other than a managing director, a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or three years, whichever is the longer. However, where there is more than one managing director, only one is entitled to be exempt from this rotation requirement.

Mr Winton Willesee, who has served as a Director since 21 October 2014 and was last re-elected on 28 November 2018, retires by rotation and seeks re-election.

3.2 Qualifications and other material directorships

In accordance with Recommendation 1.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition), the Company provides the following information in respect to Mr Willesee:

- **Position:** Mr Willesee holds the positions of Non-Executive Director of the Company.
- **Length of Service:** Mr Willesee was appointed as a Director of the Company on 21 October 2014.
- **Formal Qualifications:** Mr Willesee holds formal qualifications in economics, finance, accounting, education and governance. He is a Fellow of the Financial Services Institute of Australasia, a Graduate of the Australian Institute of Company Directors, a Member of CPA Australia and a Fellow of the Governance Institute of Australia/Chartered Secretary.

Skills and Experience: Mr Willesee is an experienced Company Director with over 20 years' experience in various roles within the Australian capital markets.

Mr Willesee has considerable experience with ASX listed and other companies over a broad range of industries having been involved with many successful ventures from early stage through to large capital development projects.

He has a core expertise in strategy, company development, corporate governance, company public listings, merger and acquisition transactions and corporate finance.

- **Other Listed Company Directorships:** Mr Willesee holds directorships with the following listed companies:
 - Non-Executive Director Nanollose Limited (ASX: NC6)
 - Non-Executive Chairman of New Zealand Coastal Seafood Limited (ASX: NZS)
 - Non-Executive Director Neurotech International Limited (ASX: NTI)
 - Chairman of UUV Aquabotix Ltd (ASX: UUV)

3.3 Independence

If re-elected the Board considers Mr Willesee will be an Independent Director.

3.4 Board recommendation

The Board has reviewed Mr Willesee's performance since his appointment to the Board and considers that Mr Willesee's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Mr Willesee and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – APPROVAL OF 7.1A MANDATE

4.1 General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders

over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$16,096,779 (based on the number of Shares on issue and the closing price of Shares on the ASX on 27 October 2021).

Resolution 3 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 3 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 3 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

4.2 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 3:

(a) Period for which the 7.1A Mandate is valid

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

(b) Minimum price

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 4.2(b)(i), the date on which the Equity Securities are issued.

(c) Use of funds raised under the 7.1A Mandate

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate as cash consideration, for advancing the Company's existing operations including the acquisition of new investments (including expenses

associated with such an acquisition), market analysis and investigation of investment opportunities, and the meeting of objectives under the Company's investment mandate and general working capital.

(d) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue or proposed to be issued as at 27 October 2021.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

Number of Shares on Issue (Variable A in ASX Listing Rule 7.1A2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.035	\$0.070	\$0.105
			50% decrease	Issue Price	50% increase
		Funds Raised			
Current	229,953,985	22,995,399	\$804,839	\$1,609,678	\$2,414,517
50% increase	344,930,978	34,493,098	\$1,207,258	\$2,414,517	\$3,621,775
100% increase	459,907,970	45,990,797	\$1,609,678	\$3,219,356	\$4,829,034

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 229,953,985 existing Shares as at the date of this Notice of Meeting;
2. The issue price set out above is the closing market price of the Shares on the ASX on 27 October 2021 (being \$0.07).
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its Annual General Meeting held on 30 November 2020 (**Previous Approval**).

During the 12 month period preceding the date of the Meeting, being on and from 30 November 2020, the Company has not issued any Equity Securities pursuant to the Previous Approval.

4.3 Voting Exclusion Statement

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

5. RESOLUTION 4 – ADOPTION OF INCENTIVE PERFORMANCE RIGHTS PLAN

5.1 General

Resolution 4 seeks Shareholder approval for the adoption of the employee incentive scheme titled “Incentive Performance Rights Plan” (**Performance Rights Plan**) and for the issue of Performance Rights under the Performance Rights Plan in accordance with Listing Rule 7.2 (Exception 13(b)).

The objective of the Performance Rights Plan is to attract, motivate and retain key employees and the Company considers that the adoption of the Performance Rights Plan and the future issue of Performance Rights under the Performance Rights Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Listing Rule 7.2 (Exception 13(b)) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within three years before the date of issue of the securities, the holders of the entity’s ordinary securities have approved the issue of equity securities under the scheme as exception to Listing Rule 7.1.

Exception 13(b) is only available if and to the extent that the number of equity securities issued under the scheme does not exceed the maximum number set out in the entity’s notice of meeting dispatched to shareholders in respect of the meeting at which shareholder approval was obtained pursuant to Listing Rule 7.2 (Exception 13(b)). Exception 13(b) also ceases to be available if there is a material change to the terms of the scheme from those set out in the notice of meeting.

If Resolution 4 is passed, the Company will be able to issue Performance Rights under the Performance Rights Plan to eligible participants over a period of 3 years. The issue of any Performance Rights to eligible participants under the Performance Rights Plan (up to the maximum number of Performance Rights stated in Section (c) below) will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

For the avoidance of doubt, the Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of Performance Rights under the Plan to a related party or a person whose relationship with the company or the related party is, in ASX’s opinion, such that approval should be obtained.

If Resolution 4 is not passed, the Company will be able to proceed with the issue of Performance Rights under the Performance Rights Plan to eligible participants, but any issues of Performance Rights will reduce, to that extent, the Company’s capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the Performance Rights.

5.2 Technical information required by Listing Rule 7.2 (Exception 13)

Pursuant to and in accordance with Listing Rule 7.2 (Exception 13), the following information is provided in relation to Resolution 4:

- (a) a summary of the key terms and conditions of the Performance Rights Plan is set out in Schedule 1;
- (b) the Company has issued 18,750,000 Performance Rights under the Performance Rights Plan since the Performance Rights Plan was last approved by Shareholders on 28 November 2018; and
- (c) the maximum number of Securities proposed to be issued under the Performance Rights Plan, following Shareholder approval, is 30,000,000 Performance Rights. It is

not envisaged that the maximum number of Securities for which approval is sought will be issued immediately.

6. RESOLUTION 5 – CHANGE OF COMPANY NAME

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

Resolution 5 seeks the approval of Shareholders for the Company to change its name to “**Hygrovest Limited**”.

The Board proposes this change of name on the basis that it believes the proposed name more accurately reflects the future operations of the Company.

The proposed name has been reserved by the Company with ASIC and if Resolution 5 is passed, the Company will lodge a copy of the special resolution with ASIC following the Meeting in order to effect the change.

If Resolution 5 is passed the change of name will take effect when ASIC alters the details of the Company’s registration.

7. RESOLUTION 6 – CHANGE TO NATURE OF ACTIVITIES

7.1 Proposed Diversification

The Company is an Australian-listed, specialist investment company that has traded on the ASX since 2015. Investors in the Company gain exposure to a globally diversified portfolio focused on investing minority interests in private and public companies in high growth industries where the Company perceives the opportunity to produce absolute returns for Shareholders over the medium to long term.

Following previous Shareholder approval, pursuant to the Company’s notice of annual general meeting dated 21 October 2020, the Company undertook a previous diversification to the Company’s investment strategy in November 2020. The investment strategy was expanded to include investments external to the Cannabis Sector, including, but not limited to, strategic investments in natural resources, pharmaceuticals and software services technology (with such strategic investments to comprise no more than 25% of the total value of the Company’s investment portfolio (**25% Limitation**)) (**Previous Diversification**).

The Company is proposing, subject to Shareholder approval, to broaden its existing investment mandate to target:

- (a) the cannabis sector; and
- (b) additional strategic sectors which deliver capital growth over the medium to long term,

however, the 25% Limitation will no longer apply (**Diversification**).

The proposed Diversification will allow the Company to:

- (a) expand its existing investment portfolio and invest in securities with a view to deliver capital growth for Shareholders over the medium to long term; and
- (b) create greater opportunities for its Shareholders to benefit and participate in the growth of a diversified group of investments, in addition to the Company’s existing investments.

The proposed Diversification is an internal process which will broaden the Company’s existing investment strategy and does not involve any agreement or third party involvement.

7.2 Listing Rule 11.1.2

The Company is proposing to undertake the proposed Diversification.

Listing Rule 11.1.2 empowers ASX to require a listed company to obtain the approval of its shareholders to a significant change to the nature or scale of its activities. The proposed Diversification will involve a significant change to the nature or scale of the Company's activities for these purposes and, as its usual practice, ASX has imposed a requirement under Listing Rule 11.1.2 that the Company obtain Shareholder approval to the proposed Diversification.

Resolution 6 seeks the required Shareholder approval to the proposed Diversification and for the purposes of Listing Rule 11.1.2.

If Resolution 6 is passed, the Company will be able to proceed with the proposed Diversification. The proposed Diversification will permit the Company increased flexibility to create growth and greater returns for Shareholders. Through the Diversification, the Company will target exposure in a range of global opportunities, in addition to the existing investments, allowing the Company to lower its investment risk and reduce the impact of market volatility to ultimately benefit Shareholders.

If Resolution 6 is not passed, the Company will not be able to proceed with the proposed Diversification, and will remain a listed investment company focusing on:

- (a) the Cannabis Sector; and
- (b) strategic investments which deliver capital growth (subject to the 25% Limitation),

(Existing Mandate).

7.3 Financial Effect of Diversification

Detailed at Schedule 2 is a transaction-based comparison table and market capitalisation table, detailing the proposed effect on the Company's total consolidated assets, total equity, annual expenditure, and capital structure.

7.4 Business Model

To undertake these diversified investments, the Company will use:

- (a) its existing capital; and/or
- (b) any capital obtained from the sale of existing investments, in the normal course of business.

Notwithstanding the proposed Diversification:

- (a) the Company will continue to actively manage its current investments which involves, in the ordinary course of business, sales of existing interests in circumstances where the board believes such action to be in the best interest of the Company, its Shareholders and perceives there to be upside potential; and
- (b) the Company's principal activities will remain the management of investments in listed or unlisted securities and derivatives pursuant to the Existing Mandate, where the Company's board perceives there to be upside potential, consistent with the Company's September 2018 re-compliance prospectus and the Previous Diversification.

Importantly, the investment mandate and activities of the Company will remain unchanged, as the Company will still:

- (a) invest in a portfolio of investments that will deliver capital growth and profit from realisation on sales;

- (b) be an active investor in securities with the flexibility to allocate capital to the most attractive securities in any given economic cycle; and
- (c) allow the directors a wide discretion to determine what, how and when to invest, so as to increase Shareholder value based on a diligent risk reward analysis.

7.5 No proposed board changes

There will not be any changes to the board of directors of the Company as a result of the proposed Diversification.

7.6 Timetable

Upon the Company receiving Shareholder approval for Resolution 6, the Company will amend its investment strategy and undertake the Diversification in the ordinary course of business.

8. RESOLUTION 7 – APPROVAL TO VARY MANAGEMENT AGREEMENT

As announced on 7 June 2019, the Company agreed, subject to Shareholder approval to appoint Parallax Ventures Inc (formerly Embark Ventures Inc.) (**Parallax**) as the Company's Investment Manager on the terms of a management agreement (detailed at Schedule 1 of the Company's Notice of Meeting dated 11 June 2019) (**Management Agreement**). The commencement date under the Management Agreement was conditional upon the receipt of Shareholder approval, which was received at the Company's General Meeting on 19 July 2019.

Under the Management Agreement, Parallax provides services including the identification, transacting and review of possible investment opportunities. The Company seeks Shareholder approval to enter into a variation to the Management Agreement, to reflect and incorporate the proposed Diversification (subject to Shareholders approving Resolution 6).

Michael Curtis, a Director of the Company, currently holds a 16.4% interest in Parallax and the Company holds 4.8% interest in Parallax.

8.1 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Whilst the Company does not consider that Parallax is a Related Party of the Company (as Michael Curtis does not have a controlling interest in Parallax), Michael Curtis will receive an indirect financial benefit as a result of Parallax receiving remuneration under the Management Agreement by virtue of his 16.4% interest in Parallax.

The Directors (other than Michael Curtis who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Management Agreement and varied engagement of Parallax because the Management Agreement (and the proposed variation) were negotiated on an arm's length basis and are considered to be reasonable remuneration in the circumstances.

In negotiating the initial appointment of an investment manager, the Company confirms that it entered a tender style process with a number of parties in relation to the role. The terms ultimately agreed with Parallax under the Management Agreement were materially superior (in the Company's favour) to the terms that were proposed by other third party managers.

In addition, the proposed variation to the Management Agreement is simply to encapsulate the proposed Diversification (subject to Shareholders approving Resolution 6).

Accordingly, the terms of the Management Agreement, and the proposed variation, agreed between the Company and Parallax are considered reasonable on the basis that they are materially lower in cost and materially less onerous on the Company in comparison to other terms proposed during the tender process.

8.2 Approval under ASX discretion

Despite the Company not requiring Shareholder approval in accordance with the Corporations Act, the Company is seeking Shareholder approval under Resolution 7 to vary the Management Agreement so as to encapsulate the proposed Diversification (the subject of Resolution 6), for the purposes of good governance in accordance with ASX Guidance Note 26, section 9.

GLOSSARY

\$ means Australian dollars.

7.1A Mandate has the meaning given in Section 4.1.

AEDT means Australian Eastern Daylight Time as observed in Sydney, New South Wales

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Cannabis Sector means the full range of emerging cannabis-related sectors including healthcare products, technology, infrastructure, logistics, processing, cultivation, equipment, research and development, hemp food products and retail

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means MMJ Group Holdings Limited (ACN 601 236 417).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the Proxy Form accompanying the Notice.

Remuneration Report means the Remuneration Report set out in the Director's Report section of the Company's Annual Financial Report for the year ended 30 June 2021.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the formula in Listing Rule 7.1A.2.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS PLAN

The following is a summary of the key terms and conditions of the Performance Rights Plan to be adopted by Shareholders under Resolution 4:

- (a) **Eligibility:** Participants in the Performance Rights Plan may be:
- (i) a Director (whether executive or non-executive) of the Company or any associate Group Company;
 - (ii) a full or part time employee of any Group Company;
 - (iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (Class Order); or
 - (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii), or (iii) above,
- who is declared by the Board to be eligible to receive grants of Performance Rights under the Performance Rights Plan (**Eligible Participants**).
- (b) **Offers:** The Board may, from time to time, at its absolute discretion, make an offer to grant Performance Rights to an Eligible Participant under the Performance Rights Plan and on such additional terms and conditions as the Board determines.
- (c) **Plan limit:** The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Performance Rights offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.
- (d) **Consideration:** Performance Rights granted under the Performance Rights Plan will be issued for nil cash consideration.
- (e) **Performance Rights:** Each Performance Right, once vested, entitles the holder, on exercise, to the issue of one fully paid ordinary share in the capital of the Company (**Share**).
- (f) **Not transferrable:** Performance Rights are only transferrable with the prior written consent of the Board of the Company or by force of law upon death to the participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.
- (g) **Vesting Conditions:** The Board will determine the vesting conditions (if any) that must be satisfied before a Performance Right vests, and the date by which a vesting condition must be satisfied (**Vesting Condition**).
- (h) **Vesting:** A Performance Right will vest where Vesting Conditions are satisfied or where, despite Vesting Conditions not being satisfied, the Board (in its absolute discretion) resolves that unvested Performance Rights have vested as a result of:
- (i) the participant ceasing to be an Eligible Participant due to certain special circumstances (eg due to death, severe financial hardship, total and permanent disability, retirement or redundancy) as set out in the Plan; or
 - (ii) the Company undergoing a change of control; or
 - (iii) the Company being wound up.
- (i) **Conversion of vested Performance Right:** Unless the Board decides otherwise or the Performance Right has lapsed, any vested Performance Right may be exercised by the

Eligible Participant, following which the Company will issue the participant with the applicable number of Shares.

- (j) **Shares:** Shares resulting from the vesting of the Performance Rights shall, from the date of issue, rank on equal terms with all other Shares on issue.
- (k) **Sale Restrictions:** The Board may, in its discretion, determine at any time up until exercise of Performance Rights, that a restriction period will apply to some or all of the Shares issued to an Eligible Participant (or their eligible nominee) on exercise of those Performance Rights (**Restriction Period**).
- (l) **Quotation of Shares:** If Shares of the same class as those issued under the Performance Rights Plan are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any Restriction Period applying to the Shares ends.
- (m) **Lapse of a Performance Right:** Subject to the terms of an Offer otherwise providing, a Performance Right will lapse upon the earlier to occur of:
 - (i) an unauthorised dealing in, or hedging of, the Performance Right;
 - (ii) a Vesting Condition in relation to the Performance Right not being satisfied by the due date, or becoming incapable of satisfaction, as determined by the Board in its absolute discretion;
 - (iii) a vested Performance Right is not converted within 60 days of becoming vested;
 - (iv) a participant (or, where the participant is a nominee of the Eligible Participant, that Eligible Participant) ceases to be an Eligible Participant, and the Board exercises its absolute discretion for the Performance Right to lapse;
 - (v) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant;
 - (vi) the Company undergoes a change in control or winding up, and the Board does not exercise its discretion to vest the Performance Right;
 - (vii) the expiry date of the Performance Right; and
 - (viii) the five (5) year anniversary of the date of grant of the Performance Right.
- (n) **No Participation Rights:** There are no participating rights or entitlements inherent in the Performance Rights and participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without exercising the Performance Right.
- (o) **No Change:** A Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can be exercised.
- (p) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of a Performance Right are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (q) **Deferred Taxation:** Subdivision 83A-C of the Income Tax Assessment Act 1997 applies to the Plan except to the extent an Offer provides otherwise.
- (r) **Inconsistency with Offer:** Notwithstanding any other provision in the Plan, to the extent that any covenant or provision contained in an Offer document is inconsistent with any covenant or provision under the Plan, the deemed covenant or provision under the Offer document shall prevail.

SCHEDULE 2 – COMPARISON TABLES FOR PROPOSED DIVERSIFICATION

Table 1 – Transaction Based Comparison Table

Particulars	Prior to Diversification (A)	Projected change due to Diversification (B)	Post-Diversification Pro forma (C)	Percentage change due to Diversification (B/A)
Total Consolidated Assets (\$)	\$43,565,000	nil	\$43,565,000	nil
Total Equity (\$)	\$40,252,000	nil	\$40,252,000	nil
Annual Profit/(Loss) before tax ²	\$(6,799,000)	n/a	n/a	n/a
Total shares on issue	229,953,985	nil	229,953,985	nil
Total options on issue	2,000,000	nil	2,000,000	nil
Total performance rights on issue	13,750,000	nil	13,750,000	nil
Market capitalisation (\$A) ³	\$16,096,779	nil	\$16,096,779	nil
Particulars	Working capital and other corporate costs	Total Expenditure on Investments	Current Expenditure on non-Cannabis Sector assets	Maximum possible proportion on Diversification Investments ⁴
Expenditure for next 12 month period (\$)	\$1,539,000	\$35,383,000	\$3,179,000	100%

Notes:

1. Position of the Company as of 30 June 2021.
2. Impact on profit is considered unquantifiable as it is based on the performance of investments, regardless of sector.
3. Based on the closing price of Shares on the ASX on 27 October 2021 (being, \$0.07) and there being 229,953,985 Shares on issue.
4. If the Diversification is approved, the Company will be able to acquire investments (as decided to be appropriate by the Board, pursuant to the Company's revised investment mandate) outside of the Cannabis Sector, without being subject to the 25% Limitation. Notwithstanding the Diversification, the Company has no plans to significantly alter its current investment portfolio (outside of its current investment mandate).

Table 2 – Market Capitalisation Comparison Table

	Prior to Proposed Acquisition ¹	Increase due to Proposed Acquisition	Post Proposed Acquisition ¹	Percentage change due to Proposed Acquisition
Market Capitalisation	\$16,096,779	nil	\$16,096,779	nil

Notes:

1. Based on the closing price of Shares on the ASX on 27 October 2021 (being, \$0.07) and there being 229,953,985 Shares on issue.



MMJ Group Holdings Limited | ACN 601 236

Proxy Voting Form

If you are attending the virtual Meeting please retain this Proxy Voting Form for online Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by 12.00pm (AEDT) on **Wednesday, 15 December 2021**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting

Online:

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

PHONE: 1300 288 664 (Within Australia)

+61 2 9698 5414

VIRTUAL PARTICIPATION AT THE AGM:
 The company is pleased to provide shareholders with the opportunity to attend and participate in a virtual Meeting through an online meeting platform powered by Automic, where shareholders will be able to watch, listen, and vote online.
 To access the virtual meeting:

- Open your internet browser and go to investor.automic.com.au
- Login with your username and password or click "register" if you haven't already created an account. **Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting**

Further information on how to do this is set out in the Notice of Meeting. The Explanatory Notes that accompany and form part of the Notice of Meeting describe the various matters to be considered.

STEP 1: Appoint Your

COMPLETE AND RETURN THIS FORM AS INSTRUCTED ONLY IF YOU DO NOT VOTE ONLINE
 I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of MMJ Group Holdings Limited, to be held at **12.00pm (AEDT) on 17 December 2021 via virtual online meeting platform** hereby:

Appoint the Chairman of the Meeting (Chair) OR if you are not appointing the Chairman of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

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The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.
 Unless indicated otherwise by ticking the "for","against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS
 Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1 and 4 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 4 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

STEP 2: Your Voting Direction

Resolutions	For	Against	Abstain
1. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-Election of Director – Winton Willesee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Approval of 7.1A Mandate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Adoption of Incentive Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Change to Nature of Activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Approval to vary Management Agreement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3: Sign Here + Contact

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name:

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Email Address:

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Contact Daytime Telephone

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Date (DD/MM/YY)

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By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).