

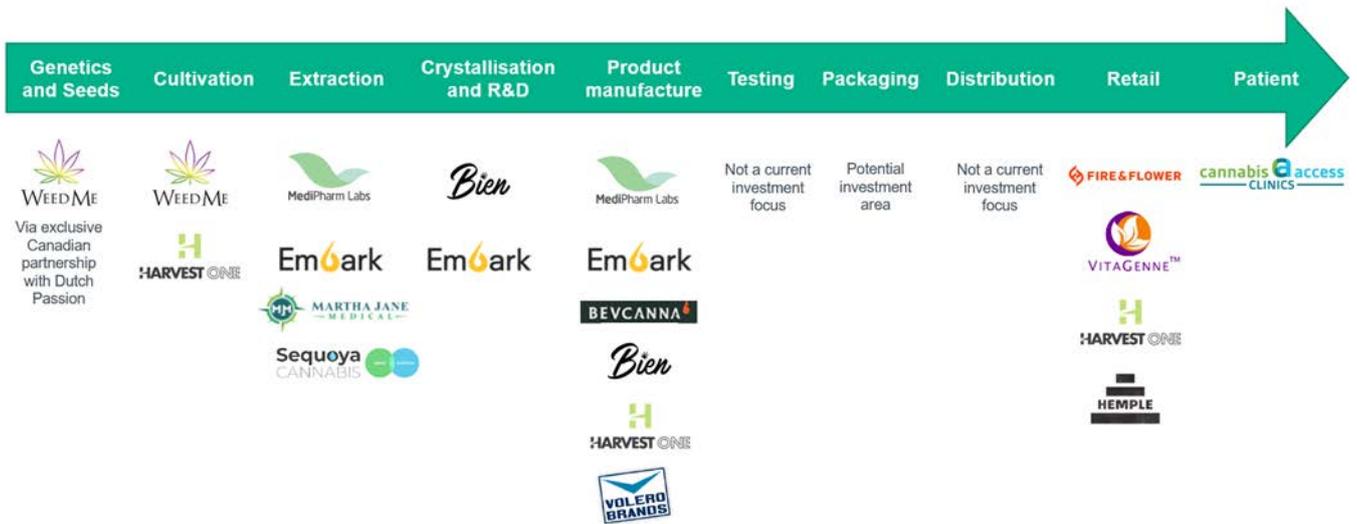


Investment Portfolio Report

31 August 2019

MMJ's Investments sit across most of the cannabis and hemp value chain

Capital is allocated to potential market leaders, consolidators and takeover targets



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. All information is unaudited unless stated otherwise. 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. The investment returns shown are historical and no warranty can be given for future performance. Historical performance is not a reliable indicator of future performance. Due to the volatility in a Company's underlying assets and other risk factors associated with investing, investment returns can be negative, particularly in the short-term.

About MMJ

MMJ (ASX Code MMJ/OTC Code MMJF) is a global cannabis investment company (ABN 91 601 236 417).

MMJ owns a portfolio of minority investments and aims to invest across the full range of emerging cannabis-related sectors including healthcare, technology, infrastructure, logistics, processing, cultivation, equipment and retail.

MMJ is the only listed Australian investment company which offers the opportunity to Australian investors to invest in unlisted and listed cannabis-related businesses within Australia and offshore.

MMJ has a proven track record in acquiring and realising considerable value from its cannabis related investments.

Since 2015 MMJ has created a significant number of investment opportunities from its connections in Canada and Australia in the private investment sector and realised exits when it is to MMJ's benefit:

16	4	4	8
Primary Acquisitions	Follow on investments¹	Private to public	Sale of investments

MMJ Historical Performance - period ended 31 August 2019

	1 month	3 months	Financial year to date	12 months	Since inception
Pre tax return	(1.9)%	(12.3)%	(12.8)%	17.9%	13.9%
Benchmark	(14.5)%	(22.5)%	(24.2)%	(28.3)%	(15.9)%
Out/(under) performance	12.6%	10.2%	11.4%	46.2%	29.8%

For MMJ's latest investor presentations and news, please visit: www.mmjgh.com.au

General Investor Queries	Share Registry
E: info@mmjgh.com.au	Automic Registry Services
W: mmjgh.com.au	P: 1300 288 664
	W: automic.com.au

Performance Update

Net Tangible Asset Value Per Share Before Tax² as at 31 August 2019

\$0.3378

Total Portfolio Including Cash as at 31 August 2019

\$81m

Investment Return Since Inception³ as at 31 August 2019

13.9% pa

Key Metrics as at 31 August 2019

AUD

Net Asset Value	74m
Investee Portfolio (ex cash)	61m
Cash	20m
Net Tangible Asset per share - pre-tax (issued pursuant to LR 4.12)	0.3378
Net Tangible Asset per share - post tax (issued pursuant to LR 4.12)	0.3265
MMJ share price (ASX)	0.235
Market capitalisation	53m
Number of investments (ex cash)	13
ASX Investment Type	Listed Investment Company
Initial Public Offering Date (Inception date)	22 January 2015
No. of ordinary shares on issue	226.78m

¹ Includes investments in existing investees

² Net Tangible Asset Value per share – net tangible assets per share before tax on unrealised gains on investment portfolio

³ Inception is 30 June 2018 being the date when MMJ commenced accounting for investments as an investment entity

MMJ NEWS
On market share buyback

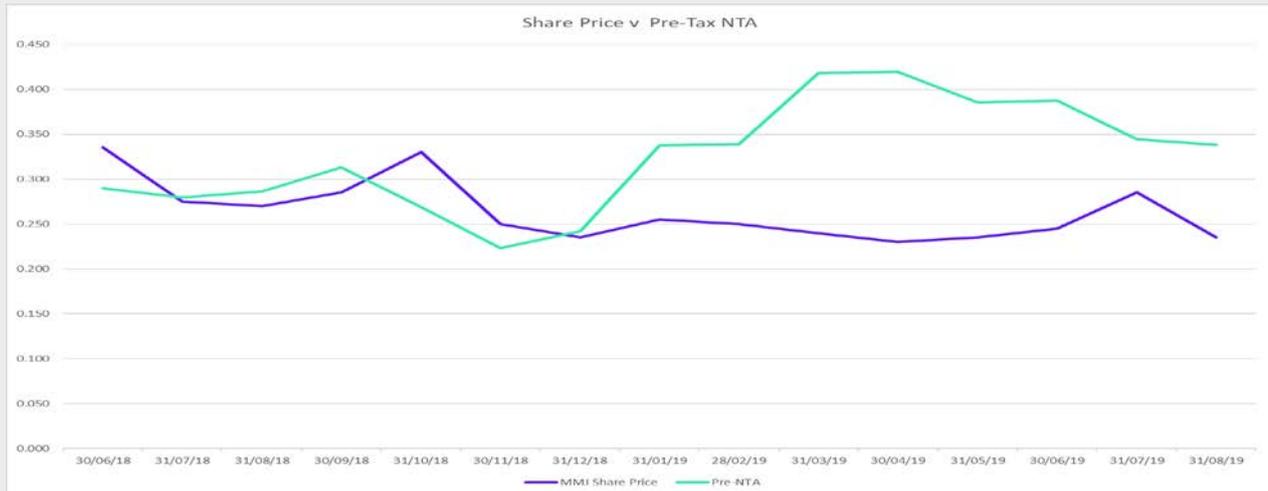
On 7 June 2019 MMJ announced an on-market buy-back of up to 10m MMJ ordinary shares over the next 12 months ('buy-back') as part of its active approach to capital management.

The buy-back is from existing cash reserves and is expected to enhance shareholder returns. MMJ commenced buying its shares on 27 June 2019 and had bought back 3.425m shares for an average price of 27.3 cents as at 31 August 2019. The shares which are bought back are cancelled thus reducing the total number of MMJ shares on issue. MMJ has the capacity to acquire a further 6.57m shares during the next nine months as at 31 August 2019.

MMJ Share Price Versus Net Asset Value

Since 30 April 2019 the MMJ board of directors and management have been able to materially narrow the discount that the MMJ share price trades to the pre-tax net tangible asset value (NTA) as detailed in Graph One.

Graph One



One of the board's key aims for the share price to trade at a premium to NTA given the potential returns from our portfolio companies.

MMJ PORTFOLIO NEWS**Public Company Holdings****Fire & Flower (FAF)**

Fire & Flower has entered into purchase agreements with wholly owned subsidiaries of Cannabis Cowboy to acquire eight cannabis retail stores under development in the province of Alberta for C\$5.6mln. Fire and Flower has also closed the C\$26mln strategic investment previously announced with Couche-tard.

Harvest One (HVT)

Harvest One appoints Aaron Wong as Chief Financial Officer and Andy Bayfield as Chief Commercial Officer. Mr. Wong is a CPA with over 15 years of finance experience in public and private organizations including Seaspan Corporation, Teekay Corporation and CHC Helicopter. Mr. Bayfield's career has been focused on consumer-packaged goods with companies such as Cadbury, Coca-Cola, and Canada Dry Mott's, a division of Keurig Dr Pepper.

Harvest One Phase II Clinical Trials on Satipharm CBD GelPell Published in Peer-Reviewed Medical Journal. The announced results were significantly positive.

- Phase 2 open label clinical trial is aimed at measuring safety and efficacy of Satipharm CBD capsules for reducing seizure frequency in children with refractory or treatment-resistant epilepsy
- The median reduction of monthly seizures was -82% in the 12-week treatment period in treatment-resistant children when added to current medications

Medipharm Labs (LABS)

MediPharm reported a second quarter with consensus-beating revenues of \$31.5M, adj. EBITDA of \$7.7M and pre-tax net income of \$4.1M. The results currently place MediPharm behind just Aurora and Canopy in terms of Canadian cannabis revenues.

Bevcanna (BEV)

BevCanna Signs Letter of Intent for 130 Acre Outdoor Cannabis Cultivation. Joint Venture with Clearwater CannGrow to grow certified organic sun-grown cannabis on an aggregate 130 acre plot of land on BevCanna's property near Osoyoos, B.C. Pursuant to the letter of intent, the parties have agreed to use best efforts to enter into a definitive agreement in respect of the proposed business relationship within 14 days.

Private Company Holdings

Several of our investee private companies are in the market seeking additional funding to continue accelerating their businesses. In addition to considering capital injections in some of them, we continue to leverage our portfolio platform so investee companies can help each other from a technical and commercial standpoint.

Significant Recent Cannabis Industry News & Studies

After slow start, Canada's recreational marijuana sales reach new high: Adult-use cannabis sales through regulated channels in Canada reached a new high in June after being relatively flat for much of the first half-year of legalization, according to the latest, seasonally adjusted data from Statistics Canada. Sales of regulated adult-use cannabis surpassed C\$85 million in June, an improvement over May's C\$79 million and April's C\$67 million. For just the second month in a row, retail sales – in physical stores and online – grew in every province. The data shows a strong correlation between sales and physical store build-outs. Ontario, which now has 24 stores open, encountered mediocre recreational sales until its first outlets opened in April. Before that, consumers displayed a general unwillingness to rely on the government-run online sales channel.

1 in 7 Americans use CBD products, Gallup poll says: One in seven Americans say they personally use cannabidiol- (CBD-) based products, which have proliferated since last year's passage of a federal law legalizing this hemp form of cannabis. Younger Americans and those in the Western U.S. are most likely to report using these products, which are widely touted for their therapeutic benefits without any psychoactive effects because they contain a low level of THC.

Health Canada beefs up staffing to get cannabis research applications approved more quickly: A recent CTV news discovery revealed that 350-plus existing cannabis research licence applications were in various stages of processing at Health Canada, with only 65 licences approved since Oct 2018. The bottleneck appears to be simply a matter of volume - Health Canada has added 140 employees to help speed up the research licensing process and has started a risk-based triaging for research applications, allowing for smaller projects with fewer approvals required to possibly have an expedited review.

US Federal data shows youth marijuana use isn't increasing under legalization: Despite prohibitionists' often-expressed fears that legalization would lead more young people to use marijuana, new federal data released shows no such trend. Reports of past-month cannabis use among those 12-17 remained stable from 2017 to 2018—and they're significantly lower than in the years prior to when the first states began legalizing for adult use. That's according to the 2018 National Survey on Drug Use and Health (NSDUH), an annual report produced by the Substance Abuse and Mental Health Services Administration (SAMHSA).

For MMJ's latest investor presentations and news on MMJ investees and the global cannabis/hemp industry, please visit: www.mmjgh.com.au

Appendix One

1. The year to date performance of MMJ's NTA is detailed below⁴:

Table One

MMJ Historical Performance - financial year to date					
		30-Jun-18	30-Jun-19	31-Jul-19	31-Aug-19
Share price \$	AUD	0.3350	0.2450	0.2850	0.2350
NTA Post Tax \$	AUD	0.2860	0.3718	0.3321	0.3265
NTA Pre Tax \$	AUD	0.2900	0.3874	0.3445	0.3378
Net Return - pre tax NTA - year to date		n/a	33.6%	(11.1)%	(12.8)%
Premium/(discount) of share price to pre tax NTA		15.5%	(36.8)%	(17.3)%	(30.4)%

2. MMJ's investment portfolio (as at 31 August 2019) is detailed in Table Two:

Table Two

Investment	CSE/TSX/ TSX Code	Investment date	Country	Company type	Investment structure	Business	Book Value (unaudited)
							31-Aug-19 AUDm
Harvest One	HVT	Apr-17	Canada	Public	Shares	Health and wellness products	32.9
MediPharm Labs	LABS	Jun-18	Canada	Public	Warrants	Extraction	3.9
BevCanna	BEV	Jun-18	Canada	Private	Shares	Beverages	0.8
Fire & Flower	FAF	Apr-18	Canada	Public	Shares + warrants	Retail stores	1.7
Listed investments							39.2
Weed Me		Dec-17	Canada	Private	Shares and warrants	Cultivation	7.8
Embark Health		Jul-18	Canada	Private	Shares and Warrants	Extraction	3.2
Volero		May-19	Canada	Private	Shares and warrants	Vapes	2.8
Sequoia		Jul-19	Canada	Private	Convertible note (including warrants)	Extraction	2.8
VitaGenne		Nov-18	USA	Private	Shares	Hemp CBD	1.5
Bien		Jun-18	Canada	Private	Shares + warrants	Research and development	0.8
Cannabis Access		Apr-18	Australia	Private	Shares	Clinics	1.0
Hemple		Mar-19	Australia	Private	Shares	Hemp CBD	1.0
Martha Jane Medical		May-18	Australia	Private	Shares	Extraction	0.6
Unlisted investments							21.5
Total portfolio excluding cash							60.8
Cash							20.4
Total							81.1

⁴ The results for 30 June 2018 and 30 June 2019 are for the year ended on those dates

Appendix One continued

3. Valuation of Assets

MMJ values its cannabis investments by applying the following principles:

- a) Listed securities – the book value is based on the closing share prices for public companies at period end converted into Australian dollars at the relevant prevailing foreign exchange rates.
- b) Unlisted securities - The book value is based on the most recent material funding round share prices for private companies converted into Australian dollars at the relevant prevailing foreign exchange rates.

The book values also include the unrealised gain arising from the positive difference between the assessed valuation of investee ordinary equity securities and the exercise price of unexercised warrants (where applicable).

The Net Asset Value or NAV is calculated after deducting a provision for company tax on any net unrealised gains that may arise on such a theoretical disposal.

MMJ does not hedge the carrying value of existing investments denominated in non-AUD currencies.

MMJ's financial statements are subject to statutory audit or review by our independent auditor BDO Audit (WA) Pty Ltd, at 31 December and 30 June each year.

Note:

1. *All information within this release is unaudited unless stated otherwise.*
2. *The book value includes shares, convertible notes, options and unlisted warrants.*
3. *The book value (presented in the Table Two) is based on the closing share prices for public companies at the relevant date. The book value (presented in the Table Two) is based on the most recent funding round share prices for private companies converted into Australian dollars at the relevant prevailing foreign exchange rates. The market and book values also include the unrealised gain arising from the positive difference between the assessed valuation of investee ordinary equity securities and the exercise price of unexercised warrants (where applicable).*
4. *MMJ holds the following shares and warrants in listed investees:*

Investment	No. of shares	No. of warrants	Exercise price of warrants	Warrants expiry
Harvest One	55,557,994	-	-	n/a
MediPharm Labs	-	941,176	1.20	4 Oct 2020
BevCanna	1,250,000	-	-	n/a
Fire & Flower	890,000	1,250,000	1.05	20 Feb 2020