

## MMJ's Investment Policy

The Company has developed an investment policy which details portfolio constraints which must be satisfied at the date that the Company enters documentation obliging it to acquire an individual investment. This policy is subject to periodic review by the Board of the Company time to time, to reflect market conditions, risk profiles, investment opportunities and the size of the Company.

The Investment Policy covers the two segments of MMJ's investment portfolio:

- a) Cannabis investments.
- b) Non-cannabis investments - such as but not limited to, natural resources, pharmaceuticals, and software services technology.

The Investment Policy of MMJ (the "Investment Policy") is detailed in the following tables below:

Cannabis Portfolio Guidelines	Explanation
<b>Investment Objective</b>	The investment objective of MMJ is to realise returns on its investments in excess of the Alternative Harvest EFT (ticker symbol MJ) which is used as its investment benchmark for the MMJ portfolio as it is a highly liquid portfolio trading in the North American market (where most of MMJ's holdings are based) over the medium to long term, whether by way of capital growth and or regular income from interest, dividends, fees or profit from realisation on asset sales. Specifically, MMJ aims to invest AUD0.5 million to AUD5 million per new investment opportunity.
<b>Definition of Cannabis Assets</b>	Cannabis Assets include a project, entity, or business involving emerging cannabis sector leaders along the cannabis value-chain including cultivation, extraction, crystallisation, product manufacture, retail and patient services.
<b>Target Geographies</b>	Investments in jurisdictions such as Australia, Canada, and Europe.
<b>Percentage ownership of a Cannabis Asset</b>	It is intended that the Company's principal activities will consist of making investments in listed or unlisted securities and derivatives in companies involved in the cannabis industry where the MMJ Board perceives there to be material upside potential. These investments will be minority shareholdings, The Company's objectives and investment strategy will not include the exercise of control over these entities or the business of these entities.
<b>Excluded Cannabis Assets</b>	Federally-illegal jurisdictions such as the US.
<b>Single Risk Limit</b>	None.
<b>Size of investments</b>	Investment size of between AUD0.5m to AUD5m.
<b>Minimum and maximum number of investments</b>	There will be no minimum or maximum number of investments in the Company's investment portfolio, however more or less may be held depending on the number of suitable investments identified that are expected to meet performance expectations.
<b>Target Returns for Cannabis Assets</b>	Targeting 2-3x multiple on invested capital (MOIC) in 1-2-year time horizon.
<b>Investee Asset Leverage Guidelines</b>	None.
<b>Investment Period Length</b>	1-2 years.

The Investment Policy of MMJ in respect of non-cannabis investments is detailed in the following table:

Non-Cannabis Portfolio Guidelines	Explanation
<b>Investment Objective</b>	The investment objective of MMJ is to realise returns on its non-cannabis investments in excess of the S&P/ASX Small Ordinaries (XSO) is the benchmark for Australian small-cap companies. which is used as its investment benchmark for MMJ's non-cannabis portfolio over the medium to long term, whether by way of capital growth and or regular income from interest, dividends, fees or profit from realisation on asset sales.
<b>Definition of Non-Cannabis Assets</b>	Non-cannabis Assets include a project, entity, or business involving such as, but not limited to, natural resources, pharmaceuticals, and software services technology.
<b>Target Geographies</b>	Investments in jurisdictions such as Australia, Canada, and Europe.
<b>Percentage ownership of a Non-Cannabis Asset</b>	It is intended that the Company's principal activities will consist of making investments in listed or unlisted securities and derivatives in companies involved in non-cannabis industries where the MMJ Board perceives there to be material upside potential. These investments will be minority shareholdings. The Company's objectives and investment strategy will not include the exercise of control over these entities or the business of these entities.
<b>Excluded Cannabis Assets</b>	Federally-illegal jurisdictions such as the US.
<b>Single Risk Limit</b>	None.
<b>Size of investments</b>	Initial investment size of between AUD0.5m to AUD5m.
<b>Non-Cannabis Investment Portfolio – maximum % of MMJ total portfolio</b>	Non-cannabis investments will comprise no more than 25% of MMJ's total consolidated assets at the time the investments are made.
<b>Minimum and maximum number of investments</b>	There will be no minimum or maximum number of investments in the Company's investment portfolio, however more or less may be held depending on the number of suitable investments identified that are expected to meet performance expectations.
<b>Target Returns for Non-Cannabis Assets</b>	Targeting 2-3x multiple on invested capital (MOIC) in 1-2-year time horizon.
<b>Investee Asset Leverage Guidelines</b>	None.
<b>Investment Period Length</b>	1-2 years targeted.

The guidelines would be subject to periodic review by the Board of the Company from time to time to reflect market conditions, risk profiles, investment opportunities and size of MMJ and may be varied by the Board in its absolute discretion.