ANNUAL FINANCIAL REPORT FY2022

Cann Global Limited
ABN 18 124 873 507
& Controlled Entities

ABOUT CANN GLOBAL

OUR VISION

Cann Global's vision is to become a leading health and wellness company, producing and distributing high-quality medicinal cannabis medications, natural foods and cosmeceuticals.

We are dedicated to helping people improve their health, wellness and lives. We strive to provide our customers with the best products and experience through quality natural ingredients, innovative formulas and delivery systems. As a company, we aim to continue creating a more sustainable business for a greater impact .

The purpose of the company is to provide access to the highest quality Cannabis/hemp-based and other plant-based products through our worldwide strategic network whilst creating value for our shareholders.

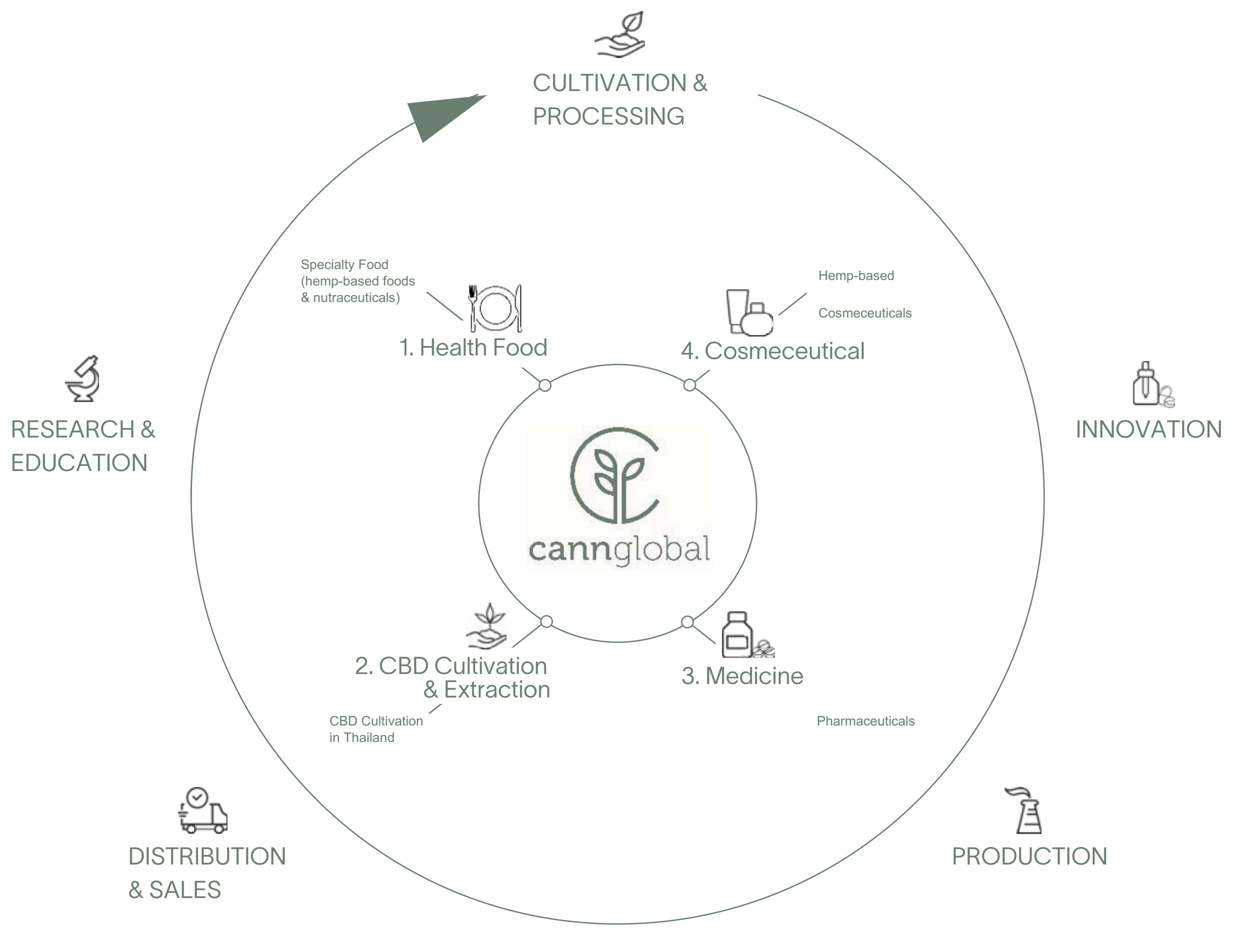
ABOUT
CANN GLOBAL

OUR BUSINESS MODEL

The partnership of nature and science to deliver effective, natural and innovative solutions.

Cann Global's business model focuses on diversification to deliver business resilience and a greater breadth of growth opportunities. We create value by applying our knowledge within the various segments of our portfolio, in line with our expertise in the Cannabis and hemp segments.

We have a focused growth strategy built on differentiation, productivity and efficiency, to position Cann Global as a dynamic player within the health and wellness space, with people and innovation at the core of its business operations.



ABOUT CANN GLOBAL

OUR BUSINESS MODEL

1. Health Food

Continued focus on distribution of healthy, nutritious and vitamin packed plant-based food products through Vitahemp and our new brand proposition Grass Roots, launched to increase consumer relevance with the aim to expand distribution to build national presence and export market.

2. CBD Cultivation & Extraction

Broad-acre industrial CBD hemp cultivation and processing in Thailand where growing conditions are ideal.

3. Medicine

Innovative pharmaceutical products developed by our strategic partners for distribution in Australia and sponsorship of medicinal Cannabis research projects.

4. Cosmeceuticals

Development and distribution of premium and efficacious innovative hemp-based cosmeceutical skincare products under our Fuss Pot™ brand.

ABOUT CANN GLOBAL

OUR BUSINESS MODEL

Cultivation & Processing

Through its 55% owned subsidiary Cann Global Thailand (CGT), the Group is growing high CBD; low THC cannabis strains under different cultivation programs. Including a plant-breeding, plant testing and seed production programs. CGT operates these commercial services under its partners AA Bio Ltd and Green Pharma Botanical's Thai cultivation licenses.

Innovation

The ongoing pursuit of innovation in developing products for existing and new sectors. Recent product development include Grass Roots' health-food products and our Fuss Pot hemp-based cosmeceutical skincare range. Our R&D department keeps our business competitive by providing insights into the market and by developing innovative products accordingly. Unique cannabinoid delivery systems have been developed by our strategic parner Canntab Therapeutics.

Production

The group is involved in the production of its health food product product range and its innovative formulas of hemp-based cosmeceuticals.

Distribution & Sales

We have created a strong and compelling value proposition positioning ourselves in an established and growing market. We have solid implementation and execution strategies around our product positioning, pricing, user experience, and marketing in order to gain competitive advantage and grow our market share rapidly.

Our distribution channels include wholesalers, retailers, distributors, online and export.

Research and education

Cann Global is committed to research and education by investing in different research and education programs in collaboration with industry partners and within its own R&D team. Research is what propels humanity forward.

FY22 REVIEW

OUR YEAR IN REVIEW

JULY 5
First batch of Canntab medications arrive in Australia - CBD 12.5mg and 25mg

AUGUST 30
Ms. Pnina Feldman resigns as Executive Chairperson. David Austin appointed as Non-Executive Chair of the company.

OCTOBER 16
Fuss Pot™ cosmeceutical showcased in Paris, France

OCTOBER 29
Cann Global completes $1.8M Share Placement

NOVEMBER 4 - 6
Fuss Pot™ Website and Social media campaign launched in conjunction with first Australian soft launch at HHI Expo

DECEMBER 21
Second shipment of CannTab medications arrive in Australia - THC 5mg

DECEMBER 29
Cann Global announces a Consolidation/spilt of its Share Register - 25:1

FEBRUARY 9
Cann Global announces its participation in the Project 21 Australian Cannabis study

APRIL 1
Launch of Grass Roots range in Australia

APRIL 28
Fuss Pot™ introduced to the European market at the Cosmoprof Worldwide Bologna

MAY 31
John Easterling resigns as Non-Executive Director

JUNE 5
Grass Roots Social media campaign launched and participation at the Naturally Good Expo in Sydney

FY22 REVIEW

INDEPENDENT CHAIR'S MESSAGE

"Holding the ground as we build foundations"

Dear Shareholders,

On behalf of the Board of Directors, I would like to take this opportunity to acknowledge and thank our shareholders who have continued to support the company during a challenging 12 months of operations.

'Holding the ground as we build foundations!' A very pertinent message to present to our shareholders during one of the most challenging times for the company, operationally during FY22.

Over the past 12 months, I have observed the difficulties facing the Australian Cannabis industry, brought on by the Covid-19 Pandemic, the saturation of businesses populating the Cannabis sector and disruptions to global supply chains, which have affected the ongoing viability and operations of many businesses in this emerging industry. Over the past two years we have seen some companies exit the market and observed decisions being taken by Company Boards to merge businesses in order to ensure continuance of operations.

Despite the interruptions and challenges that CGB, itself, has experienced, I am proud of Cann Global's achievements in managing its operations and finances through these turbulent times, which has fortunately placed us in a strong financial position to move the business forward into the 2nd operational phase of the development cycle with our restructured business model.

"Facing the challenges"

Over the past two years, the company has had to walk through two complex challenges with its business partners. First, the Board reported on the successful dismissal of the Laos dispute with the Supreme Court of Laos, dismissing all claims against the company. Unfortunately, now, we must also advise our shareholders that the company is before the courts, post year, with its former business partner, Medcan Australia, in a dispute over the operation of the Facilitation Agreement. Last week, the Board instructed our lawyers to launch a counterclaim against Medcan Australia and its Board. Cann Global's Board believes that Medcan did not intend to effectively and successfully leverage the Cannabis Industry Network to distribute substantial volumes of our Canntab products to the market in Australia, which was their responsibility under the Facilitation Agreement.

FY22 REVIEW

CGB will inform our shareholders as to the outcome of the dispute upon the Court's release to report on the Court's findings.

"Building for the future"

The Board and Management are confident that the internal restructuring undertaken over the past 12 months will position the company to build value content for the future of CGB and its shareholders. We note the following successes in structural reforms undertaken in FY22:

- A consolidation of its share registry
- Focused on keeping no material debt
- Soft launch of our premium hemp skincare brand Fuss Pot™ in Australia and in Europe.
- Launch of our new health food brand, Grass Roots, immediately taken on by three Australian distributors
- Our structural reforms have reduced operating costs by moving away from an expenditure-heavy manufacturing model
- Investing resources into a highly focused marketing plan for FY23, as it builds brand awareness and drives market penetration internationally led by an industry experienced marketing team
- A strong balance sheet with cash reserves of $9.24m and total current assets of $10.09m.

"Turning change into opportunity"

The company is committed to our goals. We are confident we have the right strategies in place and a consistently aligned value proposition as we take these changes and challenges and turn them into opportunities to build our business.

On behalf of the Board of Directors, I would like to thank the Cann Global team with its dedicated Executive Management Team and dedicated employees who have worked tirelessly over the past 12 months to overcome the many restrictions and barriers that have continued to confront the company and the industry.

Whilst our share price has been disappointing, our focus remains on building a strong and profitable company for our shareholders as we are committed to achieving our goals to grow the company and strengthen our operational performance to see Cann Global become a leading health and wellness company in the Australian and other international consumer markets.

FY22 REVIEW

CHIEF EXECUTIVE OFFICER'S MESSAGE

Dear Shareholders,

I'm pleased to share with you our latest Annual Report. I would like to take this opportunity to update you on the Group's activities for the financial year ending June 30, 2022.

There is no denying the challenges we have faced over the past year as we continued to navigate our way through the complex and unexpected challenges of the pandemic, the impact of the devastating floods endured by Australia's East Coast and more recently the economic impact of the global inflation following the conflict in Eastern Europe which caused financial markets around the world to fall sharply, and the prices of fuel, and food commodities to surge further increasing our costs. We dealt well with the volatility of our operating environment in the face of these challenges, maintaining supplies to our customers despite widespread supply chain and logistics disruptions. I am very proud and grateful to our employees who demonstrated resilience, initiative, flexibility and teamwork in dealing with this difficult environment.

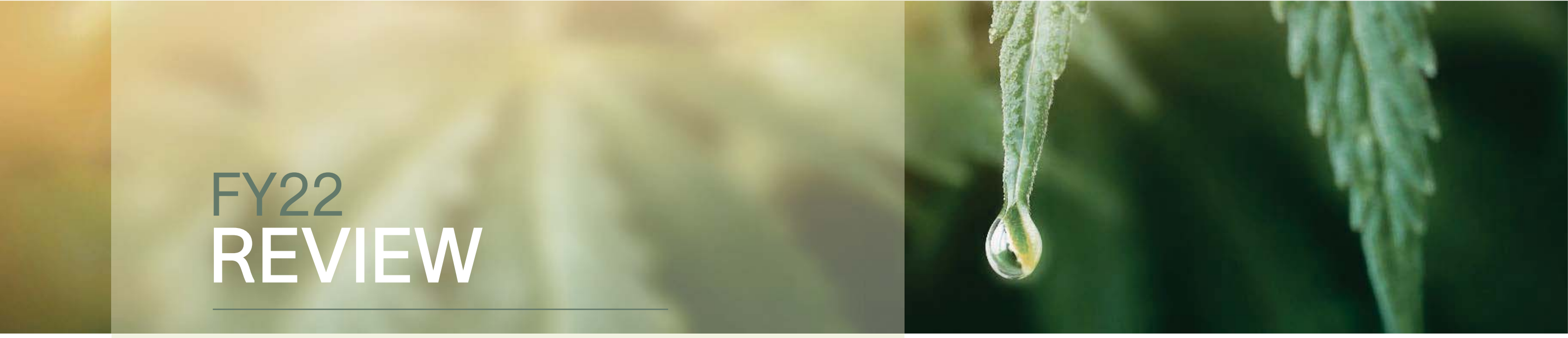
$9.24M
in cash reserves as at 30 June 2022.

$0.56M
in sales revenue in FY22.

"In FY22, we made an important strategic decision to change our business model to focus our resources and capabilities to position ourselves for long-term, sustainable growth..."

In FY22, we made an important strategic decision to change our business model to focus our resources and capabilities to position ourselves for long-term, sustainable growth following a shift in customer buying behaviour as we see an increased awareness of the impact of climate change. With a growing global population, the world is facing system challenges that impact the health and wellbeing of people, animals, and the planet which in turn create new markets and innovation opportunities. New trends have emerged across almost every industry during the pandemic and we've pivoted accordingly.

In view of our new strategic priorities, over the past year the Company undertook a major structural reform. We simplified our operating structure and reorganised our activities each with clear opportunities to benefit the health of people and the health of the planet and underpinning our growth plans. These reforms were necessary to support the Group's ambitionof becoming a



FY22 REVIEW

leader in producing and distributing high-quality medicinal cannabis, plant-based health foods and premium cosmeceuticals.

While our 2022 financial results, which saw revenues decrease by 62% to $0.56 million, are significantly lower than last year, in line with expectations following our strategic decision to undertake financial and operational restructure, we're very much focused on the year ahead. We want to build on our achievements to accelerate profitable growth and market share.

> *"...we're very much focused on the year ahead. We want to build on our achievements to accelerate profitable growth and market share."*

Despite the challenges that continue to face the Cannabis industry, we've successfully positioned ourselves to enter the global plant-based food and cosmeceutical markets with our consumer relevant new brands, Fuss Pot™ and Grass Roots. Our dedicated marketing team is very focused and driven on delivering our key strategies to ensure that Cann Global's new range of products is well received in both the International and Australian markets, with teams on the ground in Australia and Europe.

Following our restructure including our financial and operational consolidation we saw our operating costs drop to $3.22m, down 36% from the previous reporting period.

While the Company maintains a strong financial position, with cash reserves of $9.2m and total equity of $9.4m, when assessing the goodwill value of three of our initially acquired businesses, MCL, T12 and HHC's (55% ownership), following our restructure and simplified business model, our impairment testing resulted in the decision to impair the carrying value of $4.3m. Such impairment is recognised as a loss on our income statement. This impairment charge is just a one-time 'paper-loss' and there is no impact on cash flow.

The Company also reviewed and assessed the JV partnership with Pharmocann (50% ownership) during FY22. In progress discussions, it was determined that the challenges facing a 50/50 partnership in a highly competitive and complex environment were impeding and delaying progress towards the realisation of the cosmeceutical business. As a result, it was mutually agreed by both parties to dissolve the 50/50 Joint Venture agreement. This resulted in the impairment of the investment in the Joint Venture of $0.27m, further impacting our income statement, however this strategic decision now allows Cann Global to move forward with its wholly owned cosmeceutical brand Fuss Pot™. All future income derived from the Fuss Pot™ sales will be 100% recognised in our income statement, whereas under the JV agreement, Cann Global was only able to recognise a 50% share in profit in the JV.

FY22 REVIEW

This is exciting news for Cann Global and its shareholders and it was a necessary structural change to ensure we give our shareholders the best value.

To further streamline business operations, we are presently undertaking a review of our Medical Cannabis operations whilst the Company works through the dispute process with its former business partner, Medcan Australia. Even though we are very disappointed that the matter has taken us before the courts, we have a responsibility to our investors to protect the integrity of the business and ensure that all matters currently in dispute are resolved in the best interests of the company and its shareholders.

As such, during this time, we are also managing the percentage of investment resources committed to our Medical Cannabis research projects whilst the Australian government continues to move through changes in the Narcotics Act affecting Cannabis legislation, such as the recent Medicinal Cannabis single licence and permit reforms approved in December 2021. We remain committed to our research initiatives with Project Twenty21 and our sponsorship of the International College of Cannabinoid Medicine (ICCM).

Our 55% owned Cann Global Thailand plant-funding business model working with Dr. Chumpsai is ongoing and has tested seed varieties for optimal growth in the Chiang Rai province. The seed production program trial has been successful and commercial scale seed production will now commence with seeds sold to contract. The initial investment for the plant funding model was received in the year, although we could not account for it as revenue resulting in $0.2m of revenue not being recognised for FY22. However, this revenue will be recognised in FY23 once all plants under this program are harvested. If the program is successful, we believe this project will add significant value to the company and provide an additional revenue stream to ensure that the Group can reach its goal of achieving profitability.

Innovation is essential to capitalise on growing demand for health and wellbeing products and identify emerging trends within the industry. Improving operations and products are essential and how we develop and execute our long-term strategy. However, difficult times require difficult decisions to be made, particularly when there is evidence of downward trends caused by external events, global supply interruptions and market saturation precipitating the collapse in the value of many companies in the ASX Cannabis industry. When singular events like this occur over sustained FY periods, it is often beyond the control of any one company to manage volatility risks associated with such events. As such, it is also our responsibility to look for opportunities to increase shareholder value in these challenging market times and to protect shareholder investment, and the Company has been actively looking for such opportunities.

I would like to take this opportunity to sincerely thank our shareholders, partners, suppliers, and especially the entire Cann Global management team for their continued support in paving the way

FY22 REVIEW

for Cann Global to develop its business and build towards being a leader in the production and distribution of high-quality medicinal cannabis, hemp seed and other health and wellbeing products.

CONTENT

The Directors present their report together with the consolidated financial statements of the Group comprising Cann Global Limited ("the Company" or "CGB") and its subsidiaries, for the financial year ended 30 June 2022 and the independent auditor's report thereon.

Directors

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and individual responsibilities.

DAVID AUSTIN
NON-EXECUTIVE DIRECTOR (APPOINTED INDEPENDENT CHAIR 30 AUGUST 2021)
David is a legal practitioner based in Sydney with strength in commercial, estate and probate litigation. He has extensive experience in the corporate world in the computer, aerospace and heavy engineering industries.
Other current directorships: None*
Former directorships: None*
Special responsibilities: On the Remuneration and Nomination Committee and on the Audit & Risk committee

SHOLOM FELDMAN
MANAGING DIRECTOR
Mr Feldman has been on the board of Cann Global since he co-founded the company in 2007. Sholom was a general manager of the publicly listed Diamond Rose NL between 1999 and 2005 and is a director of several private companies. He has extensive experience in general commercial management, and has had advisory and company secretarial roles in a number of publicly listed and private companies since 1999.
Other current directorships: None*
Former directorships: None*
Special responsibilities: On the Remuneration and Nomination Committee and on the Audit & Risk committee

JONATHAN COHEN
NON-EXECUTIVE DIRECTOR
Jonathan is admitted to practise as a barrister in the State of New South Wales since 1999 and was admitted to the Bar in New South Wales in 2007. He has practised continuously as a barrister in NSW in the areas of commercial/equity law, criminal law and family law.
Other current directorships: None*
Former directorships: None*
Special responsibilities: On the Remuneration and Nomination Committee and on the Audit & Risk committee

JOHN EASTERLING
NON-EXECUTIVE DIRECTOR (RESIGNED MAY 2022)

John Easterling has extensive experience developing therapeutical products from plants, including many years of experience in medical cannabis cultivation and development of products. He founded the Amazon Herb Company in 1990 with his product formulations generating over $100m in revenue worldwide. John has bred a dozen new genetics from the Cannabis plant and his focus is on formulating a broad range of cannabinoid and terpene profiles for therapeutic benefits. He married Olivia Newton-John in 2008 and shares her passion in supporting the continuing growth of the Olivia Newton-John Cancer Wellness and Research Centre in Melbourne. John is an advocate for legislation reform in Australia to allow for wider access for medical Cannabis.

Other current directorships: None*
Former directorships: None*
Special responsibilities: None

ALEXANDER NEULING
COMPANY SECRETARY
* Directorships of other listed companies only.

Interest in the shares and options of the company and related bodies corporate

The relevant interest of each Director in the shares or options over shares of the Company and any other related body corporate, as notified by the Directors to the Australian Securities Exchange in accordance with S205G(1) of the Corporations Act 2001, at the date of this report is as follows:

	Ordinary shares	**Options over ordinary shares**
Sholom Feldman (1), (2)	9,637,663	-
David Austin	-	-
Jonathan Cohen	-	-

1. Sholom Feldman is a director of L'Hayyim Pty Ltd which holds 168,913 shares.

2. Sholom Feldman is a director of Volcan Australia Corporation Pty Ltd which holds 9,468,750 shares.

Share options
Unissued shares under options

At the date of this report unissued ordinary shares of the Company under option are 1,000,000. (2021: 807,329,241)

Made up of:	Issue Date	
Unquoted options	24/03/2022	1,000,000

These options do not entitle the holder to participate in any share issue of the Company or any other body corporate.

Shares issued on the exercise of options
During or since the end of the financial year, there was no ordinary share of the Company issued as a result of the exercise of options.

Earnings per share

	cents
Basic earnings (loss) per share	(3.68)
Diluted earnings (loss) per share	(3.68)

Dividends
No dividends were paid or declared since the end of the previous financial year. The Directors do not recommend a payment of a dividend in respect of the current financial year.

Directors' Meetings
The number of meetings of Directors held during the year (including meetings of committees of Directors) and the number of meetings attended by each Director were as follows:

	Full Board		Nomination and Remuneration Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
Pnina Feldman	1	1	-	-	-	-
Sholom Feldman	12	12	1	1	2	2
Jonathan Cohen	12	12	1	1	2	2
David Austin	12	12	1	1	2	2
John Easterling	1	12	-	1	-	2

Held: represents the number of meetings held during the time the Director held office.

Principal activities
The principal activities of the Group during the year were legally developing, growing, cultivating and producing hemp and medicinal cannabis products, and natural food products in the health and wellness industry.

Operating and financial reviews
Cann Global Ltd (ASX:CGB) ("CGB" or "the company") presents the following report on financial performance and business activities for the year ending 30 June 2022.

Financial review: Progressing business and productivity initiatives with a focus on profitability

Sales revenue for the year was $0.56m, a 62% decrease on the prior year (FY21 $1.48m). The food division was the primary driver of revenue generation and sales were solely domestic.

The overhaul of the health food division resulted in a short term reduction in food sales over the year, however this was well anticipated and revenue from this division was in line with expectations. This temporary reduction in revenue is a strategic decision made to maximise expected shareholder value creation, and although it came at the expense of lowering near-term earnings this will allow us to grow our market share more.

The Group reported a total loss of $9.07m which is the result of some significant impairments including the impairment of intangible assets increasing the total losses for the year by $4m. The recent changes in the business model, consolidation of the Group's portfolio, current change in the economy's general condition and increased competitive environment, in combination have resulted in temporary declining cash flows, and consequentially the current value of MCL, T12 and HHC's goodwill has decreased significantly, requiring an impairment charge to goodwill of $4.3m. This impacts the financial position statement's carrying value of goodwill now reduced to Nil and impacts the income statement with an impairment expense being recognised, increasing net loss by $4M. In addition, Hemp Hulling Co (QLD) Pty Ltd (HHC) went into voluntary administration in March 2022 thereby causing a loss of control of that entity and which required the derecognition of all balances relating to HHC, including goodwill, at that time. Accordingly, in the profit and loss account the goodwill balance relating to HHC of $1.6M has been included in the loss upon disposal of HHC derecognition transaction of $1.88M and not in the goodwill impairment charge.

The Group also reported an impairment in investment in Joint Venture of $0.27m which is a result of the dissolution of the Joint Venture with Pharmocann. Although this accounting treatment has an impact on FY22 income statement further increasing the losses for the year, it is a positive outcome as Cann Global will now be able to recognise 100% of revenue resulting from the sales of its skincare products under the Fuss Pot brand and all future income derived from the skincare sales will be 100% attributable to Cann Global shareholders. As a result, the JV entity will be deregistered and the equity-accounted method of the 50% interest in the JV entity no longer applies.

The Costs of Goods Sold is also significantly higher due to the accounting treatment associated with slow-moving and obsolete inventory resulting in the write-off of $0.11m further impacting the Group's net losses for the year and decreasing our gross profit. This is due to the change in the market where bulk goods and commodity trading has been very challenging - further evidence that our change in strategy to focus on branded products in the FMCG (Fast Moving Consumer Goods) category was executed in time to avoid further losses had the Group continued to operate under the previous T12/HHC business model.

Total operating expenses for the year were $3.68m excluding non-cash expenses, down 36% from $5.8m in the last financial year as we continued to drive measures to reduce costs.

Administrative and corporate expenses were $2.2m for the year, a decrease of 12% from the prior year. Advertising and marketing expenses also decreased 34% but are expected to increase in FY23 as marketing activities increase during the year in the food division supporting the launch of Grass Roots' website, social media strategies and other branding strategy work and in the cosmeceutical division supporting the marketing strategies for Fuss Pot.

Directors' fees of $0.4m was a decrease of 42% on prior year following the restructure of the board with the appointment of a new independent non-executive chairman, David Austin.

Research investment expenses during FY22 were significantly lower than the year prior but are expected to increase in FY23 when the clinical trial commences which will test the efficacy of a strain of cannabis on Multiple Sclerosis. Also as previously advised the Company is required to account for the research and expenses related to the Canntab joint venture in the share of loss in equity accounted investees.

The Group continues to hold bauxite assets in South Johnstone, Queensland. The area containing the resource has been retained and the mining tenement has been renewed until 31 October 2022. A renewal application has been lodged to retain the asset further.

The balance sheet remains strong with cash reserves of $9.24m and total current assets of $10.09m.

Operational review: Significant progress in product development setting up for new revenue streams

During the past financial year Cann Global went through an internal restructure, performed a portfolio review and consolidation, created and launched a new range of products to support a change in sales strategies with the aim to achieve higher margins underpinned by a stronger product positioning focused on differentiation. Cann Global has placed its focus on creating a strong and compelling value proposition aligned with its vision and its mission.

This has resulted in the launch of 2 strong brands that clearly stand out in a crowd that's oversaturated with a unique personality and brand identity together with a compelling brand story. Our team spent time developing the right strategies for launch that would get our products in front of as many eyes as possible, but also making sure those eyes belong to the right target audience.

In the health food division, as previously reported, Grass Roots was launched in Q4 FY22 with its website as reported in our last quarterly report subsequently launched last July under the URL https://mygrassroots.com.au/. Our marketing strategy is to initially focus on building brand awareness through social media and other platforms. These activities have kicked off post year end including a recent partnership with the platform I Quit Sugar which is one of the biggest health & wellness communities in Australia. https://iquitsugar.com/pages/i-quit-sugar-tick.

Other sales strategy to drive distribution included the Participation at the Naturally Good Expo in Sydney last June which has driven further interest in the Grass Roots range with an attendance of 3,900 visitors. We received excellent feedback on the range, including many identifying Grass Roots as having the best branding and pack design at the show. We are confident that this will generate increased sales in FY23.

For FY23, our sales and marketing team is now ready to focus on export strategies whilst continuing to drive sales domestically through distributors and online sales channels.

As a result of this new business strategy, the consolidation of the health food range and skincare range under the one warehouse and the subsequent closure of the facilities in Coolum, including the voluntary administration of the dehulling facility, has impacted the company’s financial results, however this has now further enhanced the efficiency of our operations.

In our cosmeceutical division, Cann Global’s premium range of hemp-based skincare was pre-launched in Q2 FY22 under the new brand Fuss Pot. The Fuss Pot hemp seed Ageless range was further strengthened during Q3 with the development of two new products, a cleanser and a mist, completing the range.

The Fuss Pot CBD range has been developed for the European market and launched in Europe at Cosmoprof in Italy in Q4FY22.

The Fuss Pot Ageless hemp skincare range and the new CBD-based skincare range was well received at the Cosmoprof fair with enquiries received from many interested buyers and distributors from Europe, the UK, the Middle East, Asia and the USA.

Cann Global’s booth at the fair was in the prestigious Green Prime area of the CosmoPrime Hall, dedicated to new trends in the retail beauty industry and products in the high-end perfumery, sustainability, and Lifestyle Beauty categories. The exhibition was attended by over 220,000 people from more than 140 countries. Feedback on the range was very positive and management are now working to secure distribution arrangements with interested parties.

Despite the soft launch in Australia and in Europe having generated many serious leads including leads with some prestigious pharmacy-led health and beauty retailers in the UK, as previously announced, unfortunately the planned production in Q4 FY22 had to be postponed due to unforeseen global supply chain disruptions. Following the pandemic, even though things are slowly getting back to normal the disruption to supply chains continues to be severe and we are working with our manufacturers and suppliers to minimise the delays this is causing.

The delay in production allows us to focus on key activities to further develop brand awareness and secure distribution partners ahead of manufacturing. We continue further developing the Fuss Pot CBD range and improving the Ageless hemp seed oil range including updating product formulation and packaging to further meet consumer demand. We have also continued to trial the product via our online community, with a consumer questionnaire returning insights from over 160 consumers.

The big launch of Fuss Pot is scheduled for Q3FY23. We understand this may seem disappointing for our shareholders however we do believe this is a good strategic move allowing us to focus on the sales and marketing activities for Grass Roots and to ensure the official launch of Fuss Pot is as successful as it can be. This strategic decision was also aligned with the dissolution of the Joint Venture with Pharmocann which now means that all revenue derived from sales of the Fuss Pot range can be 100% recognised by Cann Global, creating further value for its shareholders.

The development of our medical Cannabis division with key activities launched throughout the year, including the sponsoring of the ICCM, participation in the ProjectTwenty21 Research program and the attendance and sponsoring of the United In Compassion symposium, to increase brand awareness for Canntab have been quite successful. However, the dispute with Medcan Australia, as previously announced, has very seriously impacted our endeavours to increase sales. A counterclaim against Medcan has been prepared post year end, containing allegations that Medcan could not, and did not intend to, effectively and successfully leverage the cannabis industry network for the distribution of substantial volumes of our Canntab products to the market in Australia, and which we allege was a breach of the Facilitation Agreement by Medcan.

Our hemp cultivation in Thailand is ongoing and we continue to provide expertise to Thai companies under a service model.

The seed production program trial was successful and commercial scale seed production will now commence with seeds sold to contract growers.

Initial investment for the plant funding model was received in the year although we were unable to account for it as revenue resulting in $0.2m of revenue not being recognised for FY22 however this revenue will be recognised in FY23 once all plants under this program are harvested.

Overall, our operational strategies during FY22 have focused on key areas, the review of our supply chain and introduction of new suppliers to increase quality and differentiation of our product offering and reduce costs where possible, focused sales strategies and launch of aligned brands to increase market penetration, the consolidation of consumer brands under one warehouse in a better location to reduce freight charges and reduction in costs with the office included in the warehouse space.

As a result we have now positioned ourselves solidly in established and growing markets. We have strong implementation and execution strategies around our product positioning, pricing, user experience, and marketing in order to gain competitive advantage and grow our market share rapidly.

We have a focused strategy on differentiation, productivity, efficiency and growth which positions Cann Global as a strong player in the health and wellness space, with people and innovation at the core of its business.

The new business branding reflects our renewed portfolio and our vision. The new direction positions Cann Global as a positive and encouraging force-for-good in the health and wellness field and brings the company's value proposition to life.

Material Risks
For a discussion of material risks which could impact on the Company's ability to deliver its strategy set out in the above Review of Operations, refer to pages 114-126 of the Prospectus dated 6 June 2019 (https:// cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02112928-6A933165?access_token=83ff96335c2d45a094df02a206a39ff4).

For further information please visit the company's website at www.cannglobal.com.au or contact:
Sholom Feldman CEO
E: sfeldman@cannglobal.com.au

About Cann Global
Cann Global Limited operates in the hemp and medical Cannabis industries, with our products and expertise stretching across industries and countries. With an innovative approach to business development, our strength comes from our local professional network, in addition to our global strategic partnerships with experts in Australia, Israel, Asia, Canada and France. Cann Global Limited is working to ensure the future of medical cannabis and natural foods in Australia will support medical practitioners, patients and consumers to gain access to the right information, as well as the safest, most effective and sustainable products.

Operating Results
The loss for the consolidated entity after providing for income tax and non-controlling interest amounted to $9.07m (30 June 2021: $4.77m).

Environmental regulation
The Group is subject to and compliant with all aspects of environmental regulation in relation to its activities. The Directors are not aware of any environmental law that is not being complied with.

Significant changes in the state of affairs
During the period, there were no changes in the state of affairs of the Group other than those referred to elsewhere in this report, or the financial statements or notes thereto.

Matters subsequent to the end of the financial year
Coronavirus (COVID-19) pandemic

The impact of the Coronavirus (COVID-19) pandemic is ongoing and had an impact on the company with delays in its supply chain, increase in freight charges and no export sales. It is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as vaccination rollout, maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Medcan Australia Facilitation Agreement

On 7 July 2022, the Company announced that the Facilitation Agreement entered into with Medcan Australia Pty Ltd (“Medcan”) on 1 July 2019 whereby Medcan were to provide import/export, storing and distribution services for our Canntab products under their Office of Drugs Control licences for a fee payable in shares each quarter, has been terminated. The Board believes the termination of this agreement to be a positive outcome for Cann Global shareholders as Medcan did not fulfil their requirements under the Facilitation Agreement. The board is disputing outstanding fees as work was not carried out in a satisfactory manner. Cann Global lodged a statement of claim against Medcan in September 2022.

Pharmocann Joint Venture

On 7 July 2022, the Joint Venture between Cann Global and JV partners Pharmocann Ltd entered into in July 2020 with the aim to distribute skincare products in Australia and other markets has been dissolved by mutual agreement of both parties. The board reviewed the JV’s business strategy and as it no longer benefitted the Company, it made commercial sense to dissolve it and a termination agreement agreeable to both parties was signed. Cann Global will now be able to recognise 100% of revenue resulting from the sales of its skincare products under the Fuss Pot brand and all future income derived from the skincare sales will be 100% attributable to Cann Global shareholders. As a result, the JV entity will be deregistered and the equity-accounted method of the 50% interest in the JV entity no longer applies. This impacts our income statement with an impairment expense being recognised, reducing net earnings by $0.27m.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations
Other than as disclosed in the Business Overview and in the Operating and Financial Review, further information about likely developments in the operations of the Group in future years, the expected results of those operations, the strategies of the Group and its prospects for future financial years has not been included in this report, because disclosure of the information would be likely to result in unreasonable prejudice to the Company.

Indemnity and insurance of officers
During the financial year, the Company paid a premium in respect of a contract insuring all the directors and officers of the Consolidated Entity against liabilities incurred in their capacities as directors and officers to the extent permitted by the Corporations Act 2001.

Disclosure of the nature of the liabilities covered and the amount of the premium is prohibited by a confidentiality clause in the contract of insurance.

The Company has not otherwise, during or since the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or an auditor of the Company or of any related body corporate against a liability incurred as such officer or auditor.

Non-audit services
Details of the amounts paid to the auditor of the Company, Nexia Sydney Audit Pty Ltd, and its related practices for audit and non-audit services provided during the year are set out in note 16 to the financial statements.

Remuneration report (audited)
REMUNERATION POLICIES

The Board has adopted a framework for corporate governance, including policies dealing with Board and Executive remuneration. Policies adopted by the Board reflect the relative stage of development of the company, having regard for the size and structure of the organisation.

The Remuneration Committee is responsible for reviewing remuneration arrangements for its Directors and executives and for making recommendations to the Board on remuneration policies.

Remuneration levels are competitively set to attract and retain appropriately qualified and experienced Directors and Senior Executives. The remuneration packages of Executive Directors provide for a fixed level of remuneration. other than as noted below executive remuneration packages do not have guaranteed equity-based components or performance-based components.

The company's remuneration policy is reviewed at least once a year and is subject to amendments to ensure it reflects the best market practice.

FIXED REMUNERATION

Fixed remuneration consists of base remuneration (salary or consulting fees) including any FBT charges as well as employer contributions to superannuation funds, where applicable. Remuneration levels are reviewed annually by the board of Directors.

PERFORMANCE LINKED REMUNERATION

Long-term incentives are provided as options over ordinary shares of the company. There has been no issue of shares or options to executive Directors as a form of remuneration in the current year.

Consequences of performance on shareholders wealth

in view of the relatively early stage of development of the company's business and remuneration policies, there is insufficient information to provide a meaningful quantitative analysis of the relationship between remuneration and company performance.

SERVICE AGREEMENTS

The Management Services Agreement (MSA) ended on 30 June 2021. In consequence of the termination of the MSA, a $312,000 termination payment was agreed to by the company on 30 August 2021, payable to Pnina Feldman. The termination payment was subsequently approved by shareholders at the AGM held on 31 January 2022 to be settled by way of the company's shares issued to Pnina Feldman at the 5 day VWAP price preceding the AGM.

The Company and Australian Gemstone Mining Pty Limited (AGMPL) were parties to a management services agreement (Management Services Agreement) dated 1 July 2007, and the Variation Deed signed 1 July 2017, for the provision by AGMPL of executive and corporate services, including geological and technical expertise, to the company by the following executives:

* Pnina Feldman - Executive Director
* Dr. Robert Coenraads - Principal Geologist, Exploration and Mining;
* and Sholom Feldman - Chief Executive Officer

Each of Pnina Feldman, Dr Coenraads and Sholom Feldman has entered into an executive services agreement with AGMPL. Each of these executive services agreements contains standard provisions dealing with employment obligations and standard covenants dealing with general duties and the protection of AGMPL's interests and mirrors the Management Services Agreement in respect of termination provisions.

The Management Services Agreement (MSA) ended on 30 June 2021. In consequence of the termination of the MSA, a $312,000 termination payment was agreed to by the company on 30 August 2021, payable to Pnina Feldman. The termination payment was subsequently approved by shareholders at the AGM held on 31 January 2022 to be settled by way of the company's shares issued to Pnina Feldman at the 5 day VWAP price preceding the AGM.

AGMPL services		
Geologist fees	-	36,000
Executive and corporate services (Directors Fees)	-	624,000
Termination payment - Shares issued to Pnina Feldman	312,000	-
	312,000	**660,000**

NON-EXECUTIVE DIRECTORS

Non-executive directors are paid up to $70,000 per annum directors fees.

Director & Executive Disclosures
Details of Directors and other Key Management Personnel

The remuneration report outlines the company's remuneration strategy for the financial year 2022 and provides detailed information on the remuneration outcomes for the year for Directors and other Key Management Personnel.

The directors present the Remuneration Report for the company and its subsidiaries for the financial year ended 30 June 2022. This report forms part of the Directors' Report and has been prepared and audited in accordance with the requirements of the Corporations Act 2001.

Remuneration of Directors & Other Key Management Personnel

Details of the remuneration of Directors and Other Key Management Personnel is set out in the table below:

	Short-term benefits			Post-employment		Share-based payments	Other	
2022	**Salary and fees $**	**STI Cash bonus $**	**Non-monetary benefits $**	**Super-annuation $**	**Termination benefits $**	**Shares $**	**Bonuses $**	**Total $**
Executive Directors								
Pnina Feldman	-	-	-	-	-	312,000	-	312,000
Sholom Feldman	312,000	-	-	-	-	-	-	312,000
Non - Executive Directors:								
Jonathan Cohen	36,364	-	-	3,636	-	-	-	40,000
David Austin	51,300	-	-	5,130	-	-	-	56,430
Other KMPs								
Marion Lesaffre[1]	250,961	-	-	25,058	-	-	-	276,019
	650,625	-	-	33,824	-	312,000	-	996,449

	Short-term benefits			Post-employment benefits		Share-based payments	Other	
2021	**Salary and fees $**	**STI Cash bonus $**	**Non-monetary benefits $**	**Super-annuation $**	**Termination benefits $**	**Shares $**	**Bonuses $**	**Total $**
Executive Directors:								
Pnina Feldman	312,000	-	-	-	-	-	-	312,000
Sholom Feldman	312,000	-	-	-	-	-	-	312,000
Non- Executive Directors:								
Jonathan Cohen	37,397	-	-	2,603	-	-	-	40,000
David Austin	38,265	-	-	1,735	-	-	-	40,000
Other KMPs								
Marion Lesaffre[1]	190,163	-	-	23,475	-	50,000	-	263,638
	889,825	-	-	27,813	-	50,000	-	967,638

[1] Chief Operating Officer

Movements in shares

The movement during the reporting period in the number of ordinary shares in CGB held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

2022	Held at 1 July 2021	Post consolidation	Acquired	Disposed	Held at 30 June 2022
Pnina Feldman (1)(2)(3)	240,941,562	9,637,663	5,452,034	15,089,697	-
Sholom Feldman (1)(2)	240,941,562	9,637,663	-	-	9,637,663
Jonathan Cohen	-	-	-	-	-
David Austin	-	-	-	-	-
John Easterling (3)	-	-	-	-	-
Marion Lesaffre	11,560,000	460,000	-	-	460,000

2021	Held at 1 July 2020	Acquired	Disposed	Held at 30 June 2021
Pnina Feldman (1)(2)	193,597,812	47,343,750	-	240,941,562
Sholom Feldman (1)(2)	193,597,812	47,343,750	-	240,941,562
Jonathan Cohen	-	-	-	-
David Austin	-	-	-	-
John Easterling	-	-	-	-
Marion Lesaffre	1,060,000	10,000,000	-	11,560,000

1. Pnina Feldman and Sholom Feldman are each directors of L'Hayyim Pty Ltd which holds 168,913 shares in its capacity as trustee of the 770 Unit Trust.

2. Pnina Feldman and Sholom Feldman are each directors of Volcan Australia Corporation Pty Ltd which holds 9,468,750 shares.

3. Ordinary shares disposed represents the number of shares held at date of resignation.

Modification of terms of equity-settled share-based payment transactions

No terms of equity-settled share-based payment transactions (including options and rights granted as compensation to a key management person) have been altered or modified by the issuing entity during the reporting period.

Exercise of options granted as compensation

During the period, there were no shares issued as a consequence of the exercise of options previously granted as remuneration

Analysis of share-based payments granted as compensation

2022

The Company made a non-cash settlement of $312,000 as a termination fee in lieu of notice to the resigning executive director, Pnina Feldman, as detailed above.

2021

10M shares with a fair value of $50,000 were issued to the Chief Operating Officer in lieu of partial salary.

Options and rights over equity instruments granted as compensation

Details of options over ordinary shares in the company that were granted as compensation to each key management person during the reporting period and details of options that were vested during the reporting period are as follows. The options were issued free of charge. Each option entitles the holder to subscribe for one fully paid ordinary share in the entity at the exercise price shown below:

2022	**Vested Number**	**Granted Number**	**Grant Date**	**Value per Option at Grant Date**	**Exercise Price per Share**	**First Exercise Date**	**Last Exercise Date**
Sholom Feldman	-	-	-	-	-	-	-
Jonathan Cohen	-	-	-	-	-	-	-
David Austin	-	-	-	-	-	-	-
John Easterling	-	-	-	-	-	-	-
Marion Lesaffre	-	-	-	-	-	-	-

2021	**Vested Number**	**Granted Number**	**Grant Date**	**Value per Option at Grant Date**	**Exercise Price per Share**	**First Exercise Date**	**Last Exercise Date**
Pnina Feldman	-	-	-	-	-	-	-
Sholom Feldman	-	-	-	-	-	-	-
Jonathan Cohen	-	-	-	-	-	-	-
-David Austin	-	-	-	-	-	-	-
John Easterling	-	-	-	-	-	-	-
Marion Lesaffre	-	-	-	-	-	-	-

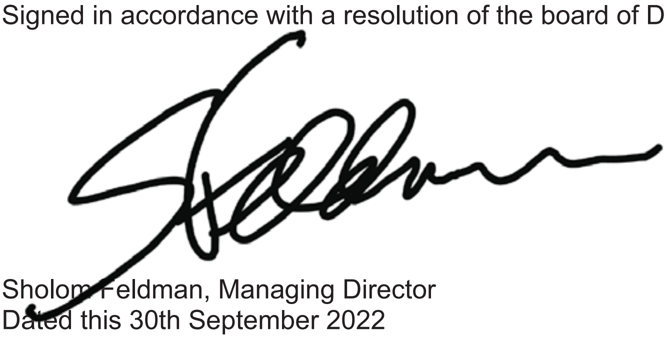
No options have been granted since the end of the financial year.

END OF REMUNERATION REPORT

Lead auditor's independence declaration under section 307C of the Corporations Act 2001

The lead auditor’s independence declaration is set out on page 13 and forms part of the directors’ report for the year ended 30 June 2022.

Signed in accordance with a resolution of the board of Directors:



Sholom Feldman, Managing Director
Dated this 30th September 2022

Nexia Sydney Audit Pty Ltd
Level 16, 1 Market Street
Sydney NSW 2000
PO Box H195
Australia Square NSW 1215
p +61 2 9251 4600
f +61 2 9251 7138
e info@nexiasydney.com.au
w nexia.com.au

The Board of Directors
Cann Global Limited
Level 21
133 Castlereagh Street
SYDNEY NSW 2000

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

As lead audit director for the audit of the financial statements of Cann Global Limited for the financial year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Nexia

Nexia Sydney Audit Pty Ltd

Stephen Fisher
Director

Date: 30 September 2022

General information

The financial statements cover Cann Global Limited as a consolidated entity consisting of Cann Global Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Cann Global Limited's functional and presentation currency.

Cann Global Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	**Principal place of business**
Level 21, 133 Castlereagh Street, Sydney NSW 2000 - Australia	U2, 13-25 Dunhill Crescent, MORNINGSIDE, QLD 4170

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 September 2022.

Cann Global Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2022

	Note	Consolidated 2022 $	2021 $
Revenue			
Revenue from sales	8	562,338	1,488,031
Cost of goods sold	9	(640,534)	(1,162,283)
Gross (loss)/profit		**(78,196)**	**325,748**
Foreign currency exchange gain/(loss) realised	8	(126,896)	595,750
Other Income	8	138,200	-
Expenses			
Administrative and corporate expenses	10	(2,248,666)	(2,568,026)
Advertising and Marketing		(292,210)	(442,185)
Legal Expenses		(50,673)	(88,253)
Directors fees CGB		(408,430)	(699,662)
Occupancy expenses	10	(57,301)	(54,748)
Exploration written off		-	(308,604)
Impairment of other receivables		(31,437)	(580,719)
Research costs		(17,759)	(101,041)
Share of loss in equity-accounted investees – net of tax		(76,988)	(170,332)
Travelling expenses		(127,238)	(134,732)
Depreciation and amortisation expense	10	(232,471)	(155,018)
Impairment of goodwill		(2,691,261)	-
Impairment of investments in joint venture		(270,102)	-
Loss from disposal of subsidiary - HHC		(1,880,891)	-
Other expenses		(365,368)	(250,022)
Share based payments expense		(418,500)	(202,750)
Total expenses		**(9,169,295)**	**(5,756,092)**
Operating loss		**(9,236,187)**	**(4,834,594)**
Finance income	11	191,438	163,630
Finance costs	11	(34,592)	(99,520)
Loss before income tax expense		**(9,079,341)**	**(4,770,484)**
Income tax expense	15	-	-
Loss after income tax expense for the year		**(9,079,341)**	**(4,770,484)**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**(9,079,341)**	**(4,770,484)**
Loss for the year is attributable to:			
Non-controlling interest		(861,371)	(149,116)
Members of Cann Global Limited		(8,217,970)	(4,621,368)
		(9,079,341)	**(4,770,484)**
Total comprehensive income for the year is attributable to:			
Non-controlling interest		(861,371)	(149,116)
Members of Cann Global Limited		(8,217,970)	(4,621,368)
		(9,079,341)	**(4,770,484)**

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Cann Global Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2022

		Cents	Cents
Earnings per share for loss from continuing operations attributable to the owners of Cann Global Limited			
Basic earnings per share	12	(3.68)	(0.10)
Diluted earnings per share	12	(3.68)	(0.10)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Cann Global Limited
Statement of financial position
As at 30 June 2022

	Note	Consolidated 2022 $	2021 $
Assets			
Current assets			
Cash and cash equivalents	18	9,240,054	10,573,053
Trade and other receivables	19	190,409	259,895
Inventories	20	510,028	474,018
Biological assets	21	121,183	-
Prepayments		37,664	63,012
Total current assets		**10,099,338**	**11,369,978**
Non-current assets			
Equity-accounted investees	27	334,558	209,779
Plant and equipment	23	56,501	449,058
Intangibles	25	93,604	4,368,797
Exploration and evaluation	22	2,278,449	2,278,449
Right-of-use assets	24	290,707	60,273
Total non-current assets		**3,053,819**	**7,366,356**
Total assets		**13,153,157**	**18,736,334**
Liabilities			
Current liabilities			
Trade and other payables	31	2,623,237	1,835,984
Current tax liability		292,666	292,666
Lease liability	32	70,380	61,229
Other financial liabilities	30	-	77,515
Provisions	33	185,412	124,981
Plant funding liability	21	254,754	-
Total current liabilities		**3,426,449**	**2,392,375**
Non-current liabilities			
Lease liability	34	234,303	-
Total non-current liabilities		**234,303**	**-**
Total liabilities		**3,660,752**	**2,392,375**
Net assets		**9,492,405**	**16,343,959**
Equity			
Share Capital	28	96,712,574	94,834,844
Non-controlling interest	36	(952,791)	(208,708)
Reserves	29	(35,557,496)	(35,790,266)
Accumulated losses	39	(50,709,881)	(42,491,911)
Total equity		**9,492,406**	**16,343,959**

The above statement of financial position should be read in conjunction with the accompanying notes

Cann Global Limited
Statement of changes in equity
For the year ended 30 June 2022

Consolidated	Issued capital $	Share Based Payments Reserves $	Acquisition of Non-Controlling Interest Reserve $	Option Reserve $	Accumulated Losses $	Non-controlling interest $	Total equity $
Balance at 1 July 2020	**84,159,575**	**6,027,318**	**(42,498,259)**	**-**	**(37,870,544)**	**(60,042)**	**9,758,048**
Adjustment for correction of error	-	-	-	-	1	-	1
Balance at 1 July 2020 - restated	84,159,575	6,027,318	(42,498,259)	-	(37,870,543)	(60,042)	9,758,049
Loss after income tax expense for the year	-	-	-	-	(4,621,368)	(149,116)	(4,770,484)
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(4,621,368)	(149,116)	(4,770,484)
Share and option based payment	-	202,750	-	-	-	-	202,750
Prepayment	-	-	-	13,350	-	-	13,350
Investment in Cann Global Thailand Pty Ltd	-	-	-	-	-	450	450
Option Reserve	-	-	-	464,575	-	-	464,575
Share issued during the year	10,675,269	-	-	-	-	-	10,675,269
Balance at 30 June 2021	**94,834,844**	**6,230,068**	**(42,498,259)**	**477,925**	**(42,491,911)**	**(208,708)**	**16,343,959**

The above statement of changes in equity should be read in conjunction with the accompanying notes

Cann Global Limited
Statement of changes in equity
For the year ended 30 June 2022

Consolidated	Issued Capital $	Share Based Payments Reserves $	Acquisition of Non-Controlling Interest Reserve $	Option Reserve $	Accumulated Losses $	Non-controlling interest $	Total equity $
Balance at 1 July 2021	**94,834,844**	**6,230,068**	**(42,498,259)**	**477,925**	**(42,491,911)**	**(208,708)**	**16,343,959**
Loss after income tax expense for the year	-	-	-	-	(8,217,970)	(861,371)	(9,079,341)
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(8,217,970)	(861,371)	(9,079,341)
Share and option-based payments	-	418,500	-	-	-	-	418,500
Transfers	185,730	-	-	(185,730)	-	-	-
Shares issued during the year	1,692,000	-	-	-	-	-	1,692,000
Reversal of attribute amount to HHC	-	-	-	-	-	117,288	117,288
Balance at 30 June 2022	**96,712,574**	**6,648,568**	**(42,498,259)**	**292,195**	**(50,709,881)**	**(952,791)**	**9,492,406**

The above statement of changes in equity should be read in conjunction with the accompanying notes

Cann Global Limited
Statement of cash flows
For the year ended 30 June 2022

	Note	Consolidated 2022 $	Consolidated 2021 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		668,489	1,796,330
Payments to suppliers (inclusive of GST)		(3,502,734)	(4,697,776)
		(2,834,245)	(2,901,446)
Interest received		191,438	163,630
Interest and other finance costs paid		-	(5,182)
Net cash used in operating activities	38	**(2,642,807)**	**(2,742,998)**
Cash flows from investing activities			
Investment in equity-accounted entity		(461,112)	(390,618)
Payments for property, plant and equipment		(27,171)	(7,206)
Payments for intangibles		(69,123)	(37,905)
Payments for exploration and evaluation		-	(136,024)
Payment for capital works		(11,297)	-
Net cash used in investing activities		**(568,703)**	**(571,753)**
Cash flows from financing activities			
Proceeds from issue of shares	28	1,692,000	6,654,603
Loan provided by other entity		(3,468)	3,468
Loan provided by/(to) related entity – Australian Gemstone Mining Pty Ltd		-	938
Loan repaid to related party - MCL Director		-	(111,113)
Loan repaid by Volcan Australia Corporation Pty Ltd		138,200	-
Proceeds from plant funding program		203,484	-
Repayment of lease liabilities		(151,705)	(77,187)
Net cash from financing activities		**1,878,511**	**6,470,709**
Net (decrease)/increase in cash and cash equivalents		(1,332,999)	3,155,958
Cash and cash equivalents at the beginning of the financial year		10,573,053	7,417,095
Cash and cash equivalents at the end of the financial year	18	**9,240,054**	**10,573,053**

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Reporting Entity

Cann Global Limited (the ‘Company’) is a company domiciled in Australia. The address of the company’s registered office is Level 21, 133 Castlereagh Street, Sydney, NSW 2000. The consolidated financial statements of the Company as at and for the year ended 30 June 2022 comprise the Company and its subsidiaries (together referred to as the ‘Group’ and individually as ‘Group entities’).

The Group is a for-profit entity and is primarily involved in the legal growing and cultivation of hemp and medicinal cannabis products and the exploration for mineral deposits in Australia.

Note 2. Basis of preparation

a. Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards ('AASBs') adopted by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. The consolidated financial statements comply with International Financial Reporting Standards ('IFRSs') adopted by the International Accounting Standards Board ('IASB').

The consolidated financial statements were authorised for issue by the Board of Directors on 30 September 2022. The Board of Directors have the power to amend and reissue the financial statements.

b. Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

i Investments
The methods used to measure fair values are discussed further in note 5.

ii Other non-derivative financial liabilities
The methods used to measure fair values are discussed further in note 5.

c. Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency and the functional currency of the Group

d. Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

e. Key estimates and judgements

IMPAIRMENT

The Group assesses impairment at the end of each reporting year by evaluation of conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using the higher of fair value less costs to sell and value-in-use calculations, which incorporate various key assumptions.

BUSINESS COMBINATIONS

Management uses valuation techniques in determining the fair values of the various elements of a business combination.

GOODWILL

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 4g. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows. Refer to note 25 for further information.

CORONAVIRUS (COVID-19) PANDEMIC

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant

Note 2. Basis of preparation (continued)

uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

CONVERTIBLE SECURITIES

Management uses valuation techniques in determining the fair value of convertible securities (both host contract and conversion features). Refer to Note 5 for the description of the fair value measurement of convertible securities.

SHARE-BASED PAYMENT TRANSACTIONS

The consolidated entity measures the cost of equity-settled transactions with consultants by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 13 for further information.

Note 3. New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted (refer to note 4 (v)).

The following Accounting Standards and Interpretations are most relevant to the consolidated entity. These new Standards have not had a material financial impact on its financial statements:

AASB 2020-8: Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2
This Standard amends the Standards listed to help entities to provide financial statement users with useful information about the effects of the interest rate benchmark reform on those entities' financial statements. As a result of these amendments, an entity: will not have to derecognise or adjust the carrying amount of financial instruments for changes required by the reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate; will not have to discontinue its hedge accounting solely because it makes changes required by the reform, if the hedge meets other hedge accounting criteria; and will be required to disclose information about new risks arising from the reform and how it manages the transition to alternative benchmark rates.

AASB 2021-3 Amendment to AASB 16 Leases - COVID-19 rent concessions
Extends the practical expedient contained in AASB 2020-4 and permits lessees not to assess whether rent concessions as a direct consequence of the COVID-19 pandemic that reduce lease payments originally due on or before 30 June 2022 are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications.

Note 4. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements and have been applied consistently by Group entities.

Note 4. Significant accounting policies (continued)

a. Basis of consolidation
i Business combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition date fair value of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises as identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are measured at their acquisition date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of:

(a) fair value of consideration transferred

(b) the recognised amount of any non-controlling interest in the acquiree; and

(c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition date fair values of identifiable net assets.

ii Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has a right to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

iii Non-controlling interests

Non-controlling interests are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

iv Interests in equity-accounted investees

The Group's interest in equity-accounted investees comprise interests in associates. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

v Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

b. Foreign currency
The financial statements are presented in Australian dollars, which is Cann Global Limited's functional and presentation currency.

i. Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Note 4. Significant accounting policies (continued)

ii Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

c. Financial instruments

i Non-derivative financial assets

CASH AND CASH EQUIVALENTS
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

TRADE AND OTHER RECEIVABLES
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

INVESTMENTS AND OTHER FINANCIAL ASSETS
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

ii Non-derivative financial liabilities

The Group initially recognizes debt securities issued on the date that they are originated. All other financial liabilities are recognized initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

The Group classifies the non-derivative financial liabilities into trade and other payables and other financial liabilities categories. Such financial liabilities are recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost.

Other financial liabilities comprise trade and other payables, loans and convertible securities.

d. Share capital

ORDINARY SHARES

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

Note 4. Significant accounting policies (continued)

e. Property, plant and equipment

i Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

ii Subsequent costs

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance is expensed as incurred.

iii Depreciation

Items of property, plant and equipment are depreciated on a straight-line basis in profit and loss over the estimated useful lives of each component. Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

Mining equipment	10 years
Plant and equipment	10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

f. Exploration and evaluation expenditure

Exploration and evaluation expenditure, including the costs of acquiring the licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Company has obtained the legal rights to explore an area are recognised in the statement of profit or loss and other comprehensive income.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

- The expenditures are expected to be recouped through successful development and exploitation or from sale of the area of interest; or

- Activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash- generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are finalised, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

When an area of interest is abandoned or the directors decide that it is not commercial, any accumulated costs in respect of that area are written off in the financial period the decision is made.

Note 4. Significant accounting policies (continued)

g. Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses. Refer note 4a for information on how goodwill is initially determined. Refer to Note 4i for a description of impairment assessment procedures.

h. Other intangible assets

ACQUIRED INTANGIBLE ASSETS

Seedbank and plant genetics acquired in a business combination that qualify for separate recognition are recognised as intangible assets at their fair values.

SUBSEQUENT MEASUREMENT

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight- line basis over their estimated useful lives as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing.

Amortisation of seedbank and plant genetics and the intellectual property (website) is calculated to write-off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in the profit and loss.

The following useful lives are applied:

- Seedbank and plant genetics 10 years
- Intellectual property – website 2 years

Note 4. Significant accounting policies (continued)

i. Impairment

i Non-derivative financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

ii Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

IMPAIRMENT LOSSES ARE RECOGNIZED IN PROFIT OR LOSS

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

j. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first in first out principle. In the case of manufactured inventories, cost includes an appropriate share production overhead based on normal operating capacity.

k. Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Note 4. Significant accounting policies (continued)

l. Lease liabilities

A lease liability is recognised at the commencement date of a lease.

The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

m. Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 4. Significant accounting policies (continued)

n. Revenue

The consolidated entity recognises revenue as follows:

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the ‘expected value’ or ‘most likely amount’ method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.
The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

SALE OF GOODS
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

RENDERING OF SERVICES

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

INTEREST REVENUE

Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

o. Research and development

Expenditure on research activities is recognised in profit and loss as incurred.

p. Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues, using the effective interest method.

Finance costs comprise interest expense and other costs of borrowings. All finance costs are recognised in profit or loss using the effective interest method.

Note 4. Significant accounting policies (continued)

q. Income tax

Tax expense comprises current and deferred tax. Current and deferred tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised for unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Company and its wholly-owned Australian resident entities are part of a tax-consolidated group. As a consequence, all members of the tax-consolidated group are taxed as a single entity. The head entity within the tax- consolidated group is Cann Global Limited.

r. Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

s. Goods and services tax

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Note 4. Significant accounting policies (continued)

t. Share-based payments

Equity-settled share-based payments are provided to certain vendors and suppliers in exchange for the acquisition of businesses or rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date of the businesses acquired or services received if reasonably measurable. Otherwise, fair value is measured at the quoted market price of the Company's ordinary shares on grant date, adjusted where applicable to take into account the terms and conditions upon which the shares were granted.

u. Going concern basis of accounting

Notwithstanding the loss for the year of $8,473,055, negative cash flows from operations of $2,642,808 and historical financial performance, the financial report has been prepared on a going concern basis. This assessment is based on a cash at bank balance at balance date of $9,240,054, and the directors' understanding of expected net cash out-flows in the coming financial year.

v. New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2022. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

The Group is still assessing but does not currently expect these new Standards to have a material financial impact on its financial statements:

AASB 2020-3: Annual Improvements to IFRS Standards 2018–2020 and Other Amendments (applies from years commencing on or after 1 January 2022)

This Standard amends: the application of AASB 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences; AASB 3 to update references to the Conceptual Framework for Financial Reporting; AASB 9 to clarify when the terms of a new or modified financial liability are substantially different from the terms of the original financial liability; AASB 116 to require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in profit or loss, instead of deducting the amounts received from the cost of the asset; AASB 137 to specify the costs that an entity includes when assessing whether a contract will be loss-making; and AASB 141 to align the fair value measurement requirements in AASB 141 with those in other Australian Accounting Standards.

AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current (applies from years commencing on or after 1 January 2023)

Amends AASB 101 to clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver, a breach of covenant, or settlement of the liability).

AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates (applies from years commencing on or after 1 January 2023)

This Standard amends: AASB 7, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements; AASB 101, to require entities to disclose their material accounting policy information rather than their significant accounting policies; AASB 108, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates; AASB 134, to identify material accounting policy information as a component of a complete set of financial statements; and AASB Practice Statement 2, to provide guidance on how to apply the concept of materiality to accounting policy disclosures. Additional conforming amendments to AASB 1049, AASB 1054, and AASB 1060 were made by AASB 2021-6.

Note 5. Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

<u>INVESTMENTS</u>

Investments are measured at fair value, at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the market value of the ASX publicly listed share price

<u>OTHER NON-DERIVATIVE FINANCIAL LIABILITIES</u>

Other non-derivative financial liabilities are measured at fair value, at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date. In respect of the liability component of convertible notes, the market rate of interest is determined with reference to similar liabilities that do not have a conversion option

Note 6. Financial risk management

a. Overview

The Company and Group have exposure to the following risks from their use of financial instruments:
liquidity risk
market risk
interest rate risk
foreign currency risk
credit risk; and
price risk.

This note presents information about the Company's and Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout this financial report

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

Risk management policies are established to identify and analyse the risks faced by the Company and Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's and Group's activities. The Company and Group, through their training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

b. Financial risk management

The Group's financial instruments consist mainly of deposits with banks, trade and other receivables, trade and other payables and other financial liabilities.

The main risks the Group is exposed to through its financial instruments are interest rate risk, foreign currency fluctuation risk and liquidity risk.

INTEREST RATE RISK

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result in changes in market interest rates, arises mainly from bank deposits accounts.

FOREIGN CURRENCY RISK

The Group was marginally exposed to fluctuations in foreign currencies during the reporting period.

CREDIT RISK

Neither the Group or the Company have any material credit or other risk exposure to any single receivable or group of receivables or payables under financial instruments entered into by the Group

LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash reserves or unutilised borrowings are maintained.

The following are the remaining contractual maturities at the end of the reporting period of financial liabilities, including estimated interest payments:

Note 6. Financial risk management (continued)

30 June 2022 Contractual Cash Flows	**Carrying amount $**	**Total $**	**Less than 12 months $**	**1-2 years $**	**2-5 years $**	**More than 5 years $**
Non derivative financial liabilities						
Trade and other payables	2,623,237	2,623,237	2,623,237	-	-	-
Plant funding liability	254,754	254,754	254,754	-	-	-
	2,877,991	**2,877,991**	**2,877,991**	-	-	-

30 June 2021 Contractual Cash Flows	**Carrying amount $**	**Total $**	**Less than 12 months $**	**1-2 years $**	**2-5 years $**	**More than 5 years $**
Non derivative financial liabilities						
Loan - other	77,515	77,515	77,515	-	-	-
Trade and other payables	1,960,964	1,960,964	1,960,964	-	-	-
	2,038,479	**2,038,479**	**2,038,479**	-	-	-

PRICE RISK

The Group's anticipated value of the South Johnstone Bauxite project is affected by the price of bauxite and shipping. Any rise or fall of the price of bauxite or shipping costs may affect the project's value accordingly. Similarly for the various market prices of cannabis products produced by the Company.

MARKET RISK

Market risk is the risk that changes in market prices will affect the Group, for example changes in interest rates, and changes in share price for investments at FVTPL.

c. Financial Instrument interest rate risk

The tables below disclose the contractual interest rates applicable for financial statements and a sensitivity analysis of movements in variable interest rates.

2022	**Weighted average effective interest rate %**	**Interest bearing fixed $**	**Interest bearing - floating $**	**Non - interest bearing $**	**Total $**
Financial Assets:					
Cash and cash equivalents	-	-	-	9,240,054	9,240,054
Trade and other receivables	-	-	-	190,409	190,409
Financial Liabilities:					
Trade and other payables	-	-	-	2,623,237	2,623,237
Plant funding liability	17.00%	254,754	-	-	-

Note 6. Financial risk management (continued)

2021	Weighted average effective interest rate %	Interest bearing fixed $	Interest bearing- floating $	Non-interest bearing $	Total $
Financial Assets:					
Cash and cash equivalents	-	-	-	10,573,053	10,573,053
Trade and other receivables	-	-	-	259,895	259,895
Financial Liabilities:					
Trade and other payables	-	-	-	1,835,983	1,835,983
Other financial liabilities	-	-	-	77,515	77,515

INTEREST RATE SENSITIVITY ANALYSIS

At 30 June 2022, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2022 $	2021 $
Increase in interest rate by 1%	92,400	105,730
Decrease in interest rate by 1%	(92,400)	(105,730)

d. Fair values vs carrying amounts

The fair values of financial assets and liabilities, together with carrying amounts shown on the statement of financial position, are as follows:

	Total carrying amount 2022 $	Fair value 2022 $	Total carrying amount 2021 $	Fair value 2021 $
Financial Assets				
Cash and cash equivalents	9,240,054	9,240,054	10,573,053	10,573,053
Trade and other receivables	190,409	190,406	259,895	259,895
Financial Liabilities				
Trade and other payables	2,623,237	2,623,237	1,835,984	1,835,984
Other financial liabilities	-	-	77,515	77,515
Plant funding liability	254,754	254,754	-	-

Note 7. Operating segments

a. Basis for segmentation

The Group has three reportable segments; hemp and medical cannabis products, mining exploration and evaluation and corporate. The corporate segment includes all of our initiatives in corporate growth activities and provides administrative, technical and financial support.

Note 7. Operating segments (continued)

b. Information about reportable segments

Information related to each reportable segment is set out below.

Operating segment information

Consolidated - 2022	Cannabis $	Mining Exploration and Evaluation $	Corporate $	Total $
Revenue				
Segment revenues	562,338	-	-	562,338
Reversal of impairment of other receivables	-	-	138,200	138,200
Interest Income	-	-	191,438	191,438
Total revenue	**562,338**	**-**	**329,638**	**891,976**
EBITDA	(515,403)	-	(3,565,387)	(4,080,790)
Depreciation	(53,323)	(1,945)	-	(55,268)
Amortisation	(177,203)	-	-	(177,203)
Impairment of receivables	-	-	(31,437)	(31,437)
Impairment of goodwill	(2,691,261)	-	-	(2,691,261)
Finance costs	-	-	(122,418)	(122,418)
Impairment of investments in JV	(40,073)	-	-	(40,073)
Loss from disposal of subsidiary - HHC	(1,880,891)	-	-	(1,880,891)
Loss before income tax expense	**(5,358,154)**	**(1,945)**	**(3,719,242)**	**(9,079,341)**
Income tax expense	-	-	-	-
Loss after income tax expense	**(5,358,154)**	**(1,945)**	**(3,719,242)**	**(9,079,341)**
Material items include:				
Capital expenditures	74,944	-	-	74,944
Assets				
Segment assets	1,584,197	2,287,833	9,281,128	13,153,158
Total assets	**1,584,197**	**2,287,833**	**9,281,128**	**13,153,158**
Liabilities				
Segment liabilities	597,349	-	3,063,403	3,660,752
Total liabilities	**597,349**	**-**	**3,063,403**	**3,660,752**

Note 7. Operating segments (continued)

Consolidated - 2021	Cannabis $	Mining Exploration and Evaluation $	Corporate $	Total $
Revenue				
Segment revenues	1,488,031	-	-	1,488,031
Interest Income	-	-	163,630	163,630
Total revenue	**1,488,031**	**-**	**163,630**	**1,651,661**
EBITDA	(352,751)	-	(3,474,412)	(3,827,163)
Depreciation	(41,392)	(2,674)	-	(44,066)
Amortisation	(110,412)	-	-	(110,412)
Impairment of intangible assets	(138,000)	-	-	(138,000)
Impairment of receivables	-	-	(242,719)	(242,719)
Exploration expenditure written off	-	(308,604)	-	(308,604)
Finance costs	-	-	(99,520)	(99,520)
Loss before income tax expense	**(642,555)**	**(311,278)**	**(3,816,651)**	**(4,770,484)**
Income tax expense	-	-	-	-
Loss after income tax expense	**(642,555)**	**(311,278)**	**(3,816,651)**	**(4,770,484)**
Material items include:				
Capital expenditures	45,111	-	-	45,111
Assets				
Segment assets	5,799,969	2,288,948	10,647,417	18,736,334
Total assets	**5,799,969**	**2,288,948**	**10,647,417**	**18,736,334**
Liabilities				
Segment liabilities	435,110	-	1,957,265	2,392,375
Total liabilities	**435,110**	**-**	**1,957,265**	**2,392,375**

Note 7. Operating segments (continued)

c. Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

Major product lines	Hemp food products 2022 $	Chia food products 2022 $	Other Revenue 2022 $	Hemp food products 2021 $	Chia food products 2021 $	Other Revenue 2021 $
Seed	121,023	105,662		305,815	381,550	
Oil	108,856	14,589		291,758	23,721	
Bi-Products	5,840			57,157		
Protein	94,211			129,439		
Flour	10,058	4,935		10,922	15,668	
Capsules	39,773			133,221	6,104	
Smoothies Blends	-			1,658		
Other	-		57,393	-		131,019
Total	**379,760**	**125,186**	**57,393**	**929,969**	**427,043**	**131,019**
Geographical regions						
Australia	379,760	125,186	57,393	849,787	156,365	117,190
Rest of the World	-	-	-	80,182	270,678	13,829
Total	**379,760**	**125,186**	**57,393**	**929,969**	**427,043**	**131,019**
Timing of revenue recognition						
Goods transferred at a point in time	379,360	125,186	57,393	929,969	427,043	65,843
Services transferred at a point in time	-	-	-	-		65,176
Total	**379,760**	**125,186**	**57,393**	**929,969**	**427,043**	**131,019**

Note 8. Revenue and other income

	Consolidated 2022 $	Consolidated 2021 $
Revenue from sale of goods	537,505	1,422,855
Revenue from services	7,578	15,163
Management fees recharges	2,146	50,013
Rent recharges	15,109	-
	562,338	**1,488,031**

	Consolidated 2022	Consolidated 2021
Other Income		
Foreign currency exchange (loss)/gain realised	(126,896)	595,750
Reversal of impairment of other receivables	138,200	-
	11,304	**595,750**

Note 9. Cost of goods sold

	Consolidated 2022 $	Consolidated 2021 $
Seed and other related product cost	573,621	817,701
Product packaging	8,609	33,843
Shipping & Freight Outward	46,344	120,370
Other cost of goods sold	11,960	26,300
Salaries and consulting fees	-	164,068
	640,534	**1,162,282**

Note 10. Expenses

	Consolidated 2022 $	Consolidated 2021 $
Administrative & Corporate expenses		
Salaries and consulting fees corporate	(1,009,119)	(1,043,279)
Salaries and consulting fees Food Division	(211,640)	(452,453)
Salaries and consulting fees Cultivation Division	(50,000)	(60,000)
Salaries and consulting fees Medical Cannabis Division	16,500	(198,867)
Audit fees	(107,121)	(137,604)
Accountancy fees	(260,840)	(217,593)
Shareholders' services	(239,049)	(342,870)
Other administrative expenses	(387,397)	(115,359)
	(2,248,666)	**(2,568,025)**

	Consolidated 2022	Consolidated 2021
Occupancy expenses		
Warehouse Food Division	(11,957)	(31,177)
Headquarter offices corporate	(45,344)	(23,571)
	(57,301)	**(54,748)**

	Consolidated 2022 $	Consolidated 2021 $
Depreciation and amortization		
Depreciation of property, plant and equipment	(55,268)	(44,607)
Depreciation of right-of-use asset	(154,903)	(78,143)
Amortisation of Intangible assets	(22,300)	(32,268)
	(232,471)	**(155,018)**

Note 11. Net finance costs

	Consolidated	
	2022	**2021**
	$	**$**
Interest income on cash at bank	191,438	163,630
Financial liabilities measured at amortised cost – interest expense	(34,592)	(99,520)
Net finance income	**156,846**	**64,110**

Note 12. Earnings per share

	Consolidated	
	2022	**2021**
	$	**$**
Earnings per share for loss from continuing operations		
Loss after income tax attributable to the owners of Cann Global Limited	(9,079,341)	(4,770,484)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	246,737,263	4,909,331,066
Weighted average number of ordinary shares used in calculating diluted earnings per share	**246,737,263**	**4,909,331,066**
	Cents	**Cents**
Basic earnings per share	(3.68)	(0.10)
Diluted earnings per share	(3.68)	(0.10)

As at 30 June 2022, 2,245,600 options (2021: 807,321,241) and 2,000,000 performance shares (2021: 50,000,000) were excluded from the diluted weighted-average number of ordinary shares calculation because their effect would have been anti-dilutive.

Note 13. Share based payment arrangement

The following share based payment arrangements exist as at 30 June 2022.

ORDINARY SHARES GRANTED

On 13 August 2021, the Company issued 17,719,815 shares to Medcan Australia as consideration for facilitation services. The share price at grant date was $0.0043172 per share, resulting in consideration for facilitation services of $76,500.

On 4 November 2021, the Company issued 5,000,000 shares to David Evans as consideration for facilitation services. The share price at grant date was $0.003 per share, resulting in consideration for facilitation services of $15,000.

On 4 November 2021, the Company issued 5,000,000 shares to Chris Waldron as consideration for facilitation services. The share price at grant date was $0.003 per share, resulting in consideration for facilitation services of $15,000.

On 28 February 2022, the Company issued 5,452,034 shares to Pnina Feldman as consideration for termination of facilitation services. The share price at grant date was $0.0572263 per share, resulting in consideration for termination of facilitation services of $312,000.

The following share based payment arrangements exist as at 30 June 2021.

Note 13. Share based payment arrangement (continued)

<u>ORDINARY SHARES GRANTED</u>

On 6 August 2020, the Company issued 8,887,086 shares to Medcan Australia as consideration for facilitation services. The number of shares allotted was determined using a VWAP calculation of $ 0.005992 per share, resulting in consideration for facilitation services of $53,250.

On 15 October 2020, the Company issued 18,591,013 shares to Medcan Australia as consideration for facilitation services. The number of shares allotted was determined using a VWAP calculation of $ 0.004478 per share, resulting in consideration for facilitation services of $83,250.

On 15 December 2020, the Company issued 8,000,000 shares to contractors as consideration for consulting fees. The share price at the grant date was $0.005 per share, resulting in consideration for consulting services of $40,000.

On 2 February 2021, the Company issued 2,916,667 shares to Franc Zvonar as consideration for consulting fees. The share price at the grant date was $0.009 per share, resulting in consideration for consulting services of $26,250.

<u>OPTIONS GRANTED</u>

On 15 March 2021, 15,000,000 options were granted as consideration for brokerage fee. Options were valued at $0.0089, resulting in consideration for broker services of $13,350.

Expenses recognised in Profit & Loss

Equity settled share based payment transactions		
Consulting fees – ordinary shares granted	418,500	202,750

Reconciliation of outstanding share options

	Number of options 2022	**Weighted average exercise price 2022**	**Number of options 2021**	**Weighted average exercise price 2021**
Outstanding at the beginning of the financial year	807,329,241	$0.014	56,140,000	$0.039
Expired before consolidation	(751,249,241)	$0.012	-	-
Outstanding pre-consolidation	56,080,000	$0.012	-	-
Outstanding post-consolidation	2,245,600	$0.972	-	-
Granted	-	-	751,249,241	$0.012
Forfeited	-	-	-	-
Exercised	-	-	(60,000)	$0.012
Expired	-	-	-	-
Outstanding at the end of the financial year	2,245,600	$0.972	807,329,241	$0.010
Exercisable at the end of the financial year	**2,245,600**	**$0.972**	**807,329,241**	**$0.014**

There were nil options exercised during the year ended 30 June 2022 (2021: 60,000) in respect of share-based payment arrangements.

Note 14. Key management personnel disclosures

Names and positions held of economic and parent entity key management personnel in office at any time during the financial year are:

Note 14. Key management personnel disclosures (continued)

Key Management Person	Position
Pnina Feldman[1]	Executive Chairperson
John Easterling[2]	Non-Executive Director
Sholom Feldman	Executive Director
David Austin	Non-Executive Director - Chairman
Jonathan Cohen	Non-Executive Director
Marion Lesaffre	Chief Operating Officer

[1] Resigned on 30 August 2021

[2] Resigned on 31 May 2022

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2022	**2021**
	$	**$**
Short-term employee benefits	684,449	917,638
Share-based payments	312,000	50,000
	996,449	**967,638**

SHORT TERM EMPLOYEE BENEFITS

These amounts include fees and benefits paid to non-executive directors as well as salary, paid leave benefits, fringe benefits and cash bonuses awarded to the executive Chairperson, executive directors and other KMP.

SHARE BASED PAYMENT EXPENSE

These amounts represent the expense related to the participation of KMP in equity-settled benefit schemes as measured by the fair value of the shares granted on grant date.

Note 15. Income Tax

	Consolidated	
Major components of income tax expense	**2022** **$**	**2021** **$**
a. Income tax benefit	(9,079,341)	(4,770,484)
Prima facie tax benefit on the loss from ordinary activities before income tax at 25% (2021: 26%) differs from the income tax provided in the financial statements as follows:		
Tax benefit at 25% (2021: 26%)	(2,269,835)	(1,240,326)
Add/(Less) tax effect		
- Non-deductible expenses	1,473,634	287,723
- Exploration expenditure capitalised	-	(35,366)
- Deferred tax asset not brought to account	852,879	986,695
Income tax expense attributable to operating loss	-	-
b. Unrecognised deferred tax assets		
Deferred tax assets have not been recognised in respect of the following item:		
Add/(Less) tax effect		
- Tax losses – income at 25% (2021: 25%)	8,283,993	7,431,114
- Tax losses – capital at 25% (2021: 25%)	122,797	122,797

Note 15. Income Tax (continued)

The deductible temporary differences and tax losses do not expire under current tax legislation.
Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits there from.

Note 16. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Nexia Sydney Audit Pty Ltd, the auditor of the company and its related entities:

	Consolidated	
	2022	**2021**
	$	**$**
An audit or review of the financial report of the Company		
Financial Year	90,000	90,604
Half-year	40,500	47,000
	130,500	**137,604**
Other Services		
Taxation compliance	2,700	-
Accounting advisory	10,450	-
	13,150	**-**

Note 17. Related party transactions

Identity of related parties
The Group has related party relationships with its subsidiaries, its associate entity, its key management personnel, and companies related due to common directorships of Pnina Feldman and Sholom Feldman, being directors of both Cann Global Limited and the director related companies. Pnina Feldman resigned as a director of Cann Global Limited on 30 August 2021.

Related party transactions with Australian Gemstone Mining Pty Limited
In FY22, the Group has no related party transactions with Australian Gemstones Mining Pty Ltd.

In FY21, the Company and Australian Gemstone Mining Pty Limited (AGMPL) were parties to a management services agreement (Management Services Agreement) dated 1 July 2007, and the variation deed dated 1 July 2018, for the provision by AGMPL of executive and corporate services, including geological and technical expertise, to the Group by the following executives:

• Pnina Feldman – Executive Director
• Dr Robert Coenraads – Head Geologist, Exploration and Mining; and
• Sholom Feldman – Chief Executive Officer and Managing Director.

AGMPL is a company owned and controlled by Pnina Feldman. Each of Pnina Feldman, Dr Robert Coenraads and Sholom Feldman has entered into an executive services agreement with AGMPL. Each of these executive services agreements contains standard provisions dealing with employment obligations and standard covenants dealing with general duties and the protection of AGMPL's interests and mirrors the Management Services Agreement in respect of termination provisions.

The provision by AGMPL of geological and technical expertise services was terminated during the half-year ended 31 December 2020.

The Management Services Agreement with AGMPL was terminated on 30 August 2021.

Note 17. Related party transactions (continued)

	Consolidated 2022 $	2021 $
Geologist fees	-	36,000
Executive and corporate services (Directors Fees)	-	624,000
Total	**-**	**660,000**

Other transactions with related parties
The Company paid directors' fees inclusive of superannuation of $40,000 (2021: $40,000) for the non-executive director, Jonathan Cohen, during the year ended 30 June 2022.

The Company paid directors' fees inclusive of superannuation of $56,430 (2021: $40,000) to the non-executive director, David Austin, during the year ended 30 June 2022.

The Company paid executive & corporate services' fees of $312,000 to the executive director, Sholom Feldman, during the year ended 30 June 2022.

The Company paid compensation to the Executive Chairperson, Pnina Feldman of $312,000 by way of ordinary shares issued for the termination of the Management Services Agreement with AGMPL, during the year ended 30 June 2022.

Loans advanced to director related companies		
CURRENT		
Loan - Sholom Feldman	5,402	-
NON-CURRENT		
Volcan Australia Corporation Pty Ltd	1,061,800	1,200,000
Expected credit loss recognised	(1,061,800)	(1,200,000)
	5,402	**-**

[1] The loan to Volcan Australia Corporation Pty Ltd (VAC) was not a cash loan from CGB to VAC, but the amount that was to be paid by VAC in consideration for the transfer to Volcan Australia Corporation Pty Ltd of a sapphire mining project ML1492 from the company pursuant to the transactions completed on 14th December 2010 as approved at the time by shareholders at an EGM. VAC was to have invested in the development of that asset and monetised that asset within that time period, and pay CGB the above amount. This amount was unsecured, due for payment in cash on 14th December 2012 from the proceeds of the mine, and there was no interest payable on the amount due. Following the transactions in 2010, although VAC did invest in the asset as contemplated, the markets for sapphires worsened and VAC was not able to monetise the asset prior to 14th December 2012. The directors have agreed that it is in CGB's interest to allow VAC further time to endeavour to monetise the asset to make the agreed payment from that asset. As the timing of this payment is at present uncertain, it is considered prudent for this amount to be impaired in the accounts until the payment is able to be made.

Note 18. Cash and cash equivalents

	Consolidated 2022 $	2021 $
Current assets		
Cash on hand	100	100
Cash at bank	9,239,954	10,572,953
	9,240,054	**10,573,053**

Note 19. Trade and other receivables

	Consolidated	
	2022	**2021**
	$	**$**
Current assets		
Trade receivables	144,088	236,542
Other receivables	46,321	23,353
	190,409	**259,895**

Allowance for expected credit losses

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
Consolidated	**%**	**%**	**$**	**$**	**$**	**$**
Not overdue	-	-	104,632	132,028	-	-
0 to 3 months overdue	-	-	7,664	36,628	-	-
3 to 6 months overdue	-	-	16,074	20,110	-	-
Over 6 months overdue	-	-	15,718	47,776	-	-
			144,088	**236,542**	**-**	**-**

Note 20. Inventories

	Consolidated	
	2022	**2021**
	$	**$**
Current assets		
Finished goods - at cost	484,087	385,062
Stock Deposit	25,941	88,956
	510,028	**474,018**

Note 21. Biological assets

	Consolidated	
	2022	**2021**
	$	**$**
Current assets		
Biological assets	**121,183**	**-**

Biological assets represent the first crop of medicinal cannabis plants grown from seedlings in Thailand during the financial year and which has not yet been harvested at reporting date. Three crops are to be grown from external funding received and the refined harvested product sold. The cannabis plants have been initially recognised at cost as the growth stage of the first crop is not yet advanced enough to reliably estimate the fair value less costs to sell. The carrying value of the financial liability at amortised cost for the funding of the cannabis plants crop management at reporting date is $254,754 and is classified as a current liability as all three crops are expected to be grown, harvested and sold by 30 June 2023. The financial risk lies with the financier as there is no requirement to repay the liability principal and finance cost in the event of and to the extent of crop failure resulting in a deficiency of harvest sales proceeds. The commitment for expenditure on the acquisition and development of the crops will not exceed the total amount of financing received.

Note 22. Exploration and evaluation

	Consolidated 2022 $	Consolidated 2021 $
Non-current assets		
Exploration and evaluation	2,278,449	2,451,029
Mining permits, tenement acquisition and administration and geologist expenses	-	136,024
Exploration written off	-	(308,604)
	2,278,449	**2,278,449**

The Exploration and Evaluation asset of $2,278,449, relates to the South Johnstone Project, Queensland, mining tenement MDL 2004 (2021: EPM 18463). This mining tenement was renewed until 31 October 2022.

Note 23. Plant and equipment

	Consolidated 2022 $	Consolidated 2021 $
Non-current assets		
Plant and equipment - at cost	83,575	597,386
Less: Accumulated depreciation - Plant and Equipment	(42,323)	(153,715)
	41,252	**443,671**
Mining Equipment	180,330	169,905
Less: Accumulated amortisation - Mining Equipment	(176,187)	(164,518)
	4,143	**5,387**
Capital Works	11,297	-
Less: Accumulated amortisation: Capital Works	(191)	-
	11,106	**-**
	56,501	**449,058**

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	**Capital Works $**	**Plant and Equipment $**	**Mining Equipment $**	**Total $**
Balance as at 1 July 2020	-	478,398	8,060	486,458
Additions	-	-	7,207	7,207
Depreciation expense	-	(37,867)	(6,740)	(44,607)
Balance as at 30 June 2021	-	440,531	8,527	449,058
Additions	11,297	26,191	1,384	38,872
Loss on disposal of controlled entity	-	(376,161)	-	(376,161)
Depreciation expense	(191)	(49,310)	(5,767)	(55,268)
Balance as at 30 June 2022	**11,106**	**41,251**	**4,144**	**56,501**

Note 24. Right-of-use assets

	Consolidated 2022 $	Consolidated 2021 $
Non-current assets		
Land and buildings - right-of-use	523,753	138,416
Less: Accumulated amortisation - right-of-use assets	(233,046)	(78,143)
	290,707	**60,273**

The Group leases land and buildings for its factory under agreements of two years. On renewal, the terms of the leases are renegotiated. There is a 3 year renewal option held by the Group on this lease.

Note 25. Intangibles

	Consolidated 2022 $	Consolidated 2021 $
Non-current assets		
Goodwill - at cost	4,322,016	4,322,016
Accumulated amortisation and impairment - Goodwill	(4,322,016)	-
	-	**4,322,016**
Seedbank and plant genetics	230,000	230,000
Accumulated amortisation - Seedbank and plant genetics	(92,000)	(92,000)
Impairment seedbank	(138,000)	(138,000)
	-	-
Intellectual property – website at cost	111,273	82,005
Accumulated amortisation - website	(58,774)	(36,474)
	52,499	**45,531**
Trademark	5,690	1,250
IP & Development	35,415	-
	93,604	**4,368,797**

Note 25. Intangibles (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Intellectual property website $	Seedbank and plant genetics $	Goodwill $	Trademark $	IP and development $	Total $
Balance at 1 July 2020	**16,894**	**161,000**	**4,322,016**	**1,250**	**-**	**4,501,160**
Additions	37,905	-	-	-	-	37,905
Impairment of seedbank	-	(138,000)	-	-	-	(138,000)
Amortisation expense	(9,268)	(23,000)	-	-	-	(32,268)
Balance at 30 June 2021	**45,531**	**-**	**4,322,016**	**1,250**	**-**	**4,368,797**
Additions	29,268	-	-	4,440	35,415	69,123
Impairment of goodwill	-	-	(4,322,016)	-	-	(4,322,016)
Amortisation expense	(22,300)	-	-	-	-	(22,300)
Balance at 30 June 2022	**52,499**	**-**	**-**	**5,690**	**35,415**	**93,604**

Note 25. Intangibles (continued)

IMPAIRMENT TESTING

The recoverable amount of goodwill is based on the Directors' estimate of value in use of the cash generating unit to which it relates. Medical Cannabis Ltd is considered to be one cash generating unit (CGU), Hemp Hulling Co (QLD) Pty Ltd and T12 Holdings Pty Ltd are combined considered to be another cash generating unit (CGU). Per accounting standards, goodwill is recorded as an intangible asset and evaluated annually for any possible impairment in value. The recoverable amount of the consolidated entity's goodwill is determined by a value-in-use calculation using a discounted cash flow model, based on a 1-year projection period approved by management and extrapolated for a further 4 years using a steady rate, together with a terminal value. The resulting value in use is compared to the carrying value for the CGU at balance date and in the event that the carrying value exceeds the recoverable amount, an impairment loss is recognised. Upon acquisition of these companies, Cann Global had recognised goodwill of $4.3M on its balance sheet. The recent changes in the business model, consolidation of the Group's portfolio, current change in the economy's general condition and increased competitive environment have been reflected in the value-in-use calculations and consequentially the current value of MCL, T12 and HHC's goodwill has decreased completely, requiring an impairment charge to goodwill of $4.3M. This impacts the financial position statement's carrying value of goodwill now reduced to Nil and impacts the income statement with an impairment expense being recognised, increasing net loss by $4.3M. In addition, Hemp Hulling Co (QLD) Pty Ltd (HHC) went into voluntary administration in March 2022 thereby causing a loss of control of that entity and which required the derecognition of all balances relating to HHC, including goodwill, at that time.

Accordingly, in the profit and loss account the goodwill balance relating to HHC of $1.6M has been included in the loss upon disposal of HHC derecognition transaction of $1.88M and not in the goodwill impairment charge.

Key assumptions are those to which the recoverable amount of an asset or cash-generating unit (CGU) is most sensitive. Medical Cannabis Ltd is considered its own CGU (Medical Division) and Hemp Hulling Co (QLD) Pty Ltd and T12 Pty Ltd are considered to be a combined CGU (Food Division).

The following key assumptions were used in the discounted cash flow model for the Food Division:
• 10% pre-tax discount rate;
• 0% per annum projected revenue growth rate from FY23;
• 0% per annum increase in material operating costs and overheads.

The discount rate of 10% pre-tax reflects the consolidated entity's weighted average cost of capital, the risk-free rate and the volatility of the share price relative to market movements.

The recent changes in the business model, consolidation of the food division's portfolio, the dehulling facility having gone into voluntary administration, current change in the economy's general condition and increased competitive environment, in combination have resulted in temporary declining cash flows.

Based on the above, a full impairment has been charged to the carrying value of the goodwill in this CGU.

The following key assumptions were used in the discounted cash flow model for the Medical Division:
• 10% pre-tax discount rate;
• 0% market share in year two following launch of product;
• 0% annual growth in market share;
• 0% per annum increase in operating costs and overheads;
• 0% per annum increase in staff costs;

Based on the above, a full impairment is required to the carrying value of the goodwill in this CGU.

Note 26. Investments

	2022 $	2021 $
Investment in Koegas Medicinal Herb (Pty) Ltd (Note i)	-	200,000
Investment written off	-	(200,000)
Total	-	-

i. On 19 December 2019, Cann Global entered into a Heads of Agreement with South African Company Koegas Medicinal Herb (Pty) Ltd to establish a Joint Venture entity. The JV entity was going to operate in Medicinal Cannabis Production and Distribution in Africa. Due to COVID-19 delays Cann Global was not able to progress this JV. At this time it is no longer being pursued. Should Cann Global wish to revisit this opportunity, it would need to restart discussions. Accordingly, Cann Global has written-off the existing carrying value of this investment, represented by a now expired option fee for exclusivity on further due diligence.

Note 27. Equity-accounted investees

	Consolidated	
	2022 $	2021 $
Non-current assets		
Pharmocann	-	140,559
Canntab Therapeutics Australia	334,558	69,220
	334,558	**209,779**

Pharmocann

On 1 July 2020, the Group acquired a 50% equity interest in the associate Pharmocann Global Pty Ltd. The aim of the 50% owned joint venture with Pharmocann was to distribute a premium range of 100% plant-based skincare products. On 7 July 2022, the Joint Venture has been dissolved by mutual agreement of both parties. The board reviewed the JV's business strategy and as it no longer benefitted the Company, it made commercial sense to dissolve it and a termination agreement agreeable to both parties was signed. As a result, the JV entity will be deregistered and the equity-accounted method of the 50% interested in the JV entity no longer applies. This impacts our income statement reducing our net earnings by $0.27 mil.

Cann Global will now be able to recognise 100% of revenue resulting from the sales of its skincare products under the Fuss Pot brand and all future income derived from the skincare sales will be attributable to Cann Global shareholders.

	2022 $	2021 $
Equity interest held	50%	50%
Current Assets	111,424	6,025
Non-current assets	25,250	25,000
Current liabilities	(2,576)	(3,519)
Non-current liabilities	-	(249,614)
Net assets	134,098	(222,108)
Group's share of net assets (50%)	**67,049**	**(111,054)**
Revenue		
Gain/(loss) from continuing operations	(74,876)	(268,108)
Other comprehensive income	-	-
Total comprehensive income	(74,876)	(268,108)
Group's share of total comprehensive income (50%)	**(37,438)**	**(134,054)**
Impairment of interest in Pharmocann JV	(270,102)	-

Note 27. Equity-accounted investees (continued)

	Consolidated 2022 $	Consolidated 2021 $
Reconciliation of carrying value of investment		
Share of net assets of associate	67,049	(111,054)
Other amounts invested	(67,049)	251,613
Carrying value of investment in associate	**-**	**140,559**

Canntab Therapeutics Australia

On 27 December 2017, the Group entered a 50:50 joint venture arrangement with Canntab Therapeutics Ltd, named Canntab Therapeutics Australia (JV). The JV is involved in preparatory activities for the future distribution of pharmaceutical grade medicinal cannabis tablets.

	2022 $	2021 $
Equity interest held	50%	50%
Current assets	267,295	43,697
Non-current assets	6,002	
Current liabilities	(100)	
Non-current liabilities	(395,897)	(116,253)
Net liabilities	(122,680)	(72,556)
Group's share of net liabilities (50%)	**(61,340)**	**(36,278)**
Revenue		
Loss from continuing operations	(50,124)	(72,556)
Other comprehensive income		
Total comprehensive income	(50,124)	(72,556)
Group's share of total comprehensive income (50%)	**(25,062)**	**(36,278)**

	Consolidated 2022 $	Consolidated 2021 $
Reconciliation of carrying value of investment		
Share of net liabilities of associate	(61,340)	(36,278)
Other amounts invested	395,899	105,498
Carrying value of investment in associate	**334,559**	**69,220**

Note 28. Share Capital

	Consolidated 2022 $	Consolidated 2021 $
a) Share capital on issue		
258,873,557 (30 June 2021: 5,707,766,970) fully paid ordinary shares	95,962,574	94,084,844
2,000,000 (2021: 50,000,000) performance shares	750,000	750,000
	96,712,574	**94,834,844**

Note 28. Share Capital (continued)

	2022 Number	2022 $	2021 Number	2021 $
Ordinary shares				
At the beginning of reporting period	5,707,766,970	94,084,844	3,389,989,043	83,409,575
Share based payments	27,719,815	-	38,394,766	-
Capital raising	600,000,000	1,800,000	1,565,498,480	7,827,492
Conversion of loan into ordinary shares	-	-	32,000,000	160,000
Conversion of convertible securities into ordinary shares – Obsidian	-	-	681,824,681	3,394,798
Loss on equity conversion	-	-	-	175,031
Less: Cost of capital raising	-	(108,000)	-	(404,847)
Option reserve[1]		-		(477,925)
Options exercised		-	-	720
At 31 December 2021	**6,335,486,785**	**95,776,844**		
Post consolidation at 04 February 2022	253,421,523	95,776,844		
Share based payments	5,452,034	-	-	-
Option reserve[1]	-	185,730	-	-
At reporting date	**258,873,557**	**95,962,574**	**5,707,766,970**	**94,084,844**
Performance shares				
At the beginning of reporting period	2,000,000	750,000	50,000,000	750,000
At reporting date	**2,000,000**	**750,000**	**50,000,000**	**750,000**
	260,873,557	**96,712,574**	**5,757,766,970**	**94,834,844**

[1] *Fair value of free options attaching to capital raised during the year and recognised in a separate reserve. Upon expiry of some options their carrying value was transferred to Issued Capital.*

Terms and Conditions of Issued Capital

ORDINARY SHARES

Ordinary shares have the right to receive dividends as declared by the board and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle the holder to one vote either in person or by proxy at a meeting of the Company.

PERFORMANCE SHARES

Performance shares do not have the right to receive dividends as declared by the board and, in the event of winding up the Company, do not participate in the proceeds from the sale of any surplus assets. Performance shares do not entitle the holder to a vote either in person or by proxy at a meeting of the Company.

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 28. Share Capital (continued)

b) Options on Issue

Description	2022 N°	2021 N°
At the beginning of reporting period	**807,329,241**	**56,140,000**
Expired before consolidation	(751,249,241)	-
Outstanding pre-consolidation	56,080,000	-
Outstanding post-consolidation	2,245,600	-
Granted	-	751,249,241
Forfeited	-	-
Exercised	-	(60,000)
Expired	-	-
Outstanding at the end of the reporting period	**2,245,600**	**807,329,241**
Exercisable at the end of the reporting period	**2,245,600**	**807,329,241**

Note 29. Reserves

(i) Share based payment reserve

The share-based payments reserve records items recognised as expenses on share-based payments.

	Consolidated 2022 $	Consolidated 2021 $
Balance as at 01 July	**6,230,068**	**6,027,318**
Equity settled share based payment – consulting fees	418,500	202,750
Balance as at 30 June	**6,648,568**	**6,230,068**

(ii) Option reserve

The option reserve records the fair value of free attaching options issued to subscribers under the participation terms of certain ordinary share capital issues.

	Consolidated 2022 $	Consolidated 2021 $
Balance as at 01 July	**477,925**	**-**
Fair value of free attaching options to capital raisings	(185,730)	477,925
Balance as at 30 June	**292,195**	**477,925**

(iii) Acquisition of Non-Controlling Interest Reserve

Additional acquisition of remaining 45% shares in Medical Cannabis Limited in accordance with the Replacement Prospectus Transaction approved by shareholders' meeting held on 2 July 2019. As MCL was already a controlled entity of CGB at the time of the acquisition of the additional 45%, the additional equity consideration is recognised directly in equity as a negative reserve as follows:

Note 29. Reserves (continued)

	Consolidated 2022 $	Consolidated 2021 $
Fair value of shares issued as consideration for the acquisition	42,498,259	40,398,750
Add: NCI negative carrying value at acquisition date	-	2,099,509
Balance of Acquisition of NCI Reserve	**42,498,259**	**42,498,259**

Note 30. Other financial liabilities

	Consolidated 2022 $	Consolidated 2021 $
Current liabilities		
Loan from other party – unsecured	**-**	**77,515**

Note 31. Trade and other payables

	Consolidated 2022 $	Consolidated 2021 $
Current liabilities		
Trade payables	2,180,181	1,759,196
Other creditors	1,743	3,089
Unearned revenue	-	3,699
Accrued expenses	441,313	70,000
	2,623,237	**1,835,984**

Note 32. Lease liability

	Consolidated 2022 $	Consolidated 2021 $
Current liabilities		
Offices and warehouse	**70,380**	**61,229**

Note 33. Provisions

	Consolidated 2022 $	Consolidated 2021 $
Current liabilities		
Annual leave	101,976	53,051
Long service leave	83,436	71,930
	185,412	**124,981**

Note 33. Provisions (continued)

Movements in provisions

Consolidated - 2022	Annual Leave $	Long Service Leave $
Carrying amount at the start of the year	53,051	71,930
Additional provisions recognised	76,441	11,506
Amounts used	(27,516)	-
Carrying amount at the end of the year	**101,976**	**83,436**

Consolidated - 2021	Annual Leave $	Long Service Leave $
Carrying amount at the start of the year	-	-
Additional provisions recognised	63,988	71,930
Amounts used	(10,937)	-
Carrying amount at the end of the year	**53,051**	**71,930**

Note 34. Lease liability

	Consolidated 2022 $	Consolidated 2021 $
Non-current liabilities		
Offices and warehouse	**234,303**	**-**

Note 35. Controlled entities

Controlled entities consolidated	Country of incorporation	Percentage owned (%) 2022	Percentage owned (%) 2021
Parent entity:			
Cann Global Limited	Australia	100%	100%
Subsidiaries of Cann Global Limited:			
South Johnstone Bauxite Pty Ltd	Australia	100%	100%
Volcan Queensland Bauxite Pty Ltd	Australia	100%	100%
Medical Cannabis Limited	Australia	100%	100%
Medical Cannabis Research Group Pty Ltd	Australia	100%	100%
Vitahemp Pty Ltd	Australia	95%	95%
Vitaseeds Pty Ltd	Australia	100%	100%
Vitacann Pty Ltd	Australia	100%	100%
T12 Holdings Pty Ltd	Australia	100%	100%
Hemp Hulling Co (QLD) Pty Ltd[1]	Australia	55%	55%
Cann Global Asia Pty Ltd	Australia	55%	55%
Cann Global Thailand Pty Ltd	Australia	55%	55%
Medical Cannabis (Cambodia) Co., Ltd	Cambodia	51%	51%

[1]Entered voluntary administration in March 2022 resulting in a loss of control of Hemp Hulling Co (QLD) Pty Ltd.

Note 36. Non-controlling interest

	Consolidated 2022 $	Consolidated 2021 $
Non-controlling interest	(952,791)	(208,708)

	Consolidated 2022 $	Consolidated 2021 $
Non-controlling interest in equity – Balance as at 1 July	(208,708)	(60,042)
Non-controlling interest in share capital raising – Cann Global Thailand Pty Ltd	-	450
(Loss) attributable to non-controlling interest	(861,371)	(149,116)
Reversal amount of attributable to Hemp Hulling Co (QLD) Pty Ltd upon loss of control	117,288	-
Total non-controlling interests balance as at 30 June	**(952,791)**	**(208,708)**

Note 37. Commitment for expenditure

	2022 $	2021 $
Exploration and evaluation (Note i)		
– not later than 1 year	79,000	214,400
– later than 1 year but no later than 5 years	-	-
Research and development		
Canntab therapeutics (Note ii)		
– not later than 1 year	-	-
– later than 1 year but no later than 5 years	901,469	1,191,869

i. This relates to exploration and evaluation activity for mining tenement MDL2004.

ii. On 27 December 2017 CGB entered into a joint venture agreement with Canntab Therapeutics Ltd. Under the agreement, each party will contribute $1.4 million (USD$1 million).

Note 38. Cash flow information

a. Reconciliation of cash flows from operating activities

Note 38. Cash flow information (continued)

	Consolidated 2022 $	2021 $
Loss for the year	**(9,079,341)**	**(4,770,484)**
Non-cash movements in loss	-	-
Advertising expense	-	145,375
Consultancy fees	34,000	238,350
Depreciation and amortisation	232,471	155,018
Employment Expense	61,333	-
Exploration written off	-	308,604
Finance cost	19,796	99,495
Foreign currency exchange gain/(loss) realised	16,679	-
Impairment of goodwill	2,691,261	-
Impairment of receivables	(106,763)	242,719
Impairment of seedbank	-	138,000
Impairment of Investment	270,102	200,000
Legal fees	-	394,838
Loss from disposal of subsidiary - HHC	1,880,891	-
Other Expenses	160,056	-
Professional Fees	372,910	-
Security deposit	-	(1,362)
Share based payments expense	525,000	202,750
Share of loss of equity-accounted investee - net of tax	76,988	170,332
Changes in assets and liabilities, net of the effects of the purchase and disposal of subsidiaries		
(Increase)/Decrease in other receivables	(116,159)	4,968
Decrease in trade debtors	33,238	167,751
(Increase)/decrease in prepayments	116,918	91,579
(Increase) in rental bond	(24,084)	(6,358)
Decrease in GST receivable	14,106	36,193
(Increase)/decrease in inventory	(139,566)	15,457
(Gain/loss) on equity settled liabilities	-	(518,755)
Increase in trade payables, accruals and other creditors	325,470	3,834
(Decrease) in unearned revenue	(3,699)	(61,302)
(Decrease) in loan to others	(4,414)	-
Net cash used in operating activities	**(2,642,807)**	**(2,742,998)**

b. Non-cash investing and financing activities

	Consolidated 2022 $	2021 $
Conversion of convertible notes and loans into ordinary shares - refer note 26	-	3,729,829
Option (expired)/exercised - refer note 26	(185,730)	720
Consulting fees – ordinary shares granted - refer note 13	418,500	202,750

Note 38. Cash flow information (continued)

	Andrew Kavasilas $	L1 Capital $	Other liabilities $	Obsidian $	Total $
c. Changes in liabilities arising from financing activities					
Balance at 30 June 2020	**211,113**	**85,200**	**90,545**	**3,903,889**	**4,290,747**
Non-cash movements:					
Foreign exchange gain on conversion of convertible notes	-	-	-	(594,292)	(594,292)
Conversion to shares	(160,000)	(85,200)	-	(3,309,597)	(3,554,797)
Lease liabilities	-	-	143,078	-	143,078
Cash movements:					
Loans repaid	(51,113)		(16,817)	-	(67,930)
Other loan advanced			3,787	-	3,787
Lease liabilities	-	-	(81,849)	-	(81,849)
Balance at 30 June 2021	-	-	**138,744**	-	**138,744**
Non-cash movements:					
Revaluation of Loan from Emanor Holdings Pty Ltd	-	-	(74,047)		(74,047)
Plant funding liability			48,250		48,250
Lease liabilities			397,760		397,760
Cash movements:					
Loans repaid	-	-	(3,468)	-	(3,468)
Plant funding liability	-	-	206,504	-	206,504
Lease liabilities	-	-	(154,306)	-	(154,306)
Balance at 30 June 2022	-	-	**559,437**	-	**559,437**

Note 39. Accumulated losses

	Consolidated 2022 $	2021 $
Accumulated losses at the beginning of the financial year	(42,491,911)	(37,870,543)
Loss after income tax expense and non-controlling interest for the year	(8,217,970)	(4,621,368)
Accumulated losses at the end of the financial year	**(50,709,881)**	**(42,491,911)**

Note 40. Parent entity disclosures

As at and throughout the financial year ending 30 June 2022 the parent entity of the Group was Cann Global Limited.

Note 40. Parent entity disclosures (continued)

	2022 $	2021 $
Financial Position of parent entity at year end		
Assets		
Current assets	9,872,014	10,608,407
Non-current assets	2,028,306	150,885
Total assets	**11,900,320**	**10,759,292**
Liabilities		
Current liabilities	1,519,277	629,358
Non-current liabilities	234,303	-
Total liabilities	**1,753,580**	**629,358**
Total equity of the parent entity comprising of		
Issued capital	96,712,574	94,834,844
Share based payment reserve	6,490,646	6,257,876
Accumulated losses	(93,056,480)	(90,962,786)
Total equity	**10,146,740**	**10,129,934**
Financial performance		
Loss for the year	(6,415,710)	(4,358,814)
Other comprehensive income	-	-
Total comprehensive loss for the year	**(6,415,710)**	**(4,358,814)**

Note 41. Company details

The registered office of the Company and principal place of business is:
Cann Global Limited Level 21, 133 Castlereagh Street SYDNEY NSW 2000

Note 42. Capital Management Policies

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern. The Group monitors capital on the basis of the carrying amount of equity. In order to maintain or adjust the capital, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The amounts managed as capital by the Group for the reporting periods under review are summarised as follows:

	Consolidated	
	2022 $	2021 $
Total equity	9,492,406	16,343,959

Note 43. Events after the reporting period

Coronavirus (COVID-19) pandemic

The impact of the Coronavirus (COVID-19) pandemic is ongoing and had an impact on the company with delays in its supply chain, increase in freight charges and no export sales. It is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as vaccination rollout, maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Note 43. Events after the reporting period (continued)

Medcan Australia Facilitation Agreement

On 7 July 2022, the Company announced that the Facilitation Agreement entered into with Medcan Australia Pty Ltd ("Medcan") on 1 July 2019 whereby Medcan were to provide import/export, storing and distribution services for our Canntab products under their Office of Drugs Control licences for a fee payable in shares each quarter, has been terminated. The Board believes the termination of this agreement to be a positive outcome for Cann Global shareholders as Medcan did not fulfil their requirements under the Facilitation Agreement. The board is disputing outstanding fees as work was not carried out in a satisfactory manner. Cann Global lodged a statement of claim against Medcan in September 2022.

Pharmocann Joint Venture

On 7 July 2022, the Joint Venture between Cann Global and JV partners Pharmocann Ltd entered into in July 2020 with the aim to distribute skincare products in Australia and other markets has been dissolved by mutual agreement of both parties. The board reviewed the JV's business strategy and as it no longer benefitted the Company, it made commercial sense to dissolve it and a termination agreement agreeable to both parties was signed. Cann Global will now be able to recognise 100% of revenue resulting from the sales of its skincare products under the Fuss Pot brand and all future income derived from the skincare sales will be 100% attributable to Cann Global shareholders. As a result, the JV entity will be deregistered and the equity-accounted method of the 50% interested in the JV entity no longer applies. This impacts our income statement with an impairment expense being recognised, reducing net earnings by $0.27 mil.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 44. Contingent Liabilities

In respect of the Medcan Australia Pty Ltd matter disclosed in Note 43, Medcan Australia has also commenced litigation against Cann Global for payment of invoices issued during the financial year of total $333,000 including GST. The payable amount included by Cann Global in trade payables at 30 June 2022 is $144,825 including GST. Whilst the Board is confident that none of the amount claimed by Medcan will be payable, should the outcome of the legal proceedings be unfavourable to Cann Global there is an additional amount unrecognised of $158,175 including GST which would then become payable to Medcan.

Cann Global Limited
Directors' declaration
30 June 2022

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 4 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2022 and of its performance for the financial year ended on that date;

- the Remuneration Report on pages 8 to 12 of the Directors' Report is in accordance with the Corporations Act 2001; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

____
Sholom Feldman
Managing Director

30 September 2022

Nexia Sydney Audit Pty Ltd
Level 16, 1 Market Street
Sydney NSW 2000
PO Box H195
Australia Square NSW 1215
p +61 2 9251 4600
f +61 2 9251 7138
e info@nexiasydney.com.au
w nexia.com.au

Independent Auditor's Report to the Members of Cann Global Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Cann Global Limited (the Company and its subsidiaries (the Group)), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

i) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and

ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the 'auditor's responsibilities for the audit of the financial report' section of our report. We are independent of the Group in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Impairment of Goodwill *Refer to note 2e Basis of preparation - Key estimates and judgements and note 25 Intangible assets.* As at 30 June 2022, the Group has impaired all of goodwill of $4.3m as a consequence of past acquisitions as disclosed in note 25. The recoverable amount of goodwill is based on the Directors' estimate of value in use of the cash generating units (CGU's) to which it relates. Medical Cannabis Ltd (MCL) is considered to be one CGU, Hemp Hulling Co (QLD) Pty Ltd and T12 Holdings Pty Ltd (HHC&T12) are combined considered to be the other CGU. In determining the recoverable amount of these CGUs, the Group has adopted a value-in-use calculation using a discounted cash flow model, based on a 1 year projection period approved by management and extrapolated for a further 4 years using a steady rate, together with a terminal value. We have determined this is a key audit matter due to the judgements and estimates required to determine the appropriate CGUs and calculate the recoverable amount.	Our procedures included, amongst others: ▪ We enquired with management to obtain and document an understanding of their processes and controls related to the assessment of impairment, including identification of CGUs, allocation of assets, and the calculation of the recoverable amount for each CGU; ▪ We assessed the Group's categorisation of the CGU's and the allocation of goodwill to the carrying value of the CGU's; ▪ We assessed the cash flow forecasts and assumptions used by management based on our understanding of the entity by: i) Evaluating management's ability to perform accurate estimates by comparing historical forecasting to actual results; ii) Assessing key assumptions and comparing them with expectations developed by audit; iii) Testing the mathematical accuracy of application of those key assumptions in the impairment models; and iv) Evaluating the value in use model against the requirements of AASB 136. ▪ We assessed the appropriateness of the disclosure in note 25 to the financial statements.

Other information

The directors are responsible for the other information. The other information comprises the information in Cann Global Limited's annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 8 to 12 of the directors' Report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Cann Global Limited for the year ended 30 June 2022, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Nexia

Nexia Sydney Audit Pty Ltd

Stephen Fisher
Director

Dated: 30 September 2022

Cann Global Limited
Shareholder information
30 June 2022

Additional information required by the ASX Limited Listing rules and not disclosed elsewhere in this report is set out below:

Distribution schedule and number of holders of equity securities

The number of holders holding less than a marketable parcel of fully paid ordinary shares as 12 September 2022 is 9,297.

	1 – 1,000	**1,001 – 5,000**	**5,001 – 10,000**	**10,001 – 100,000**	**100,001 and over**	**Total**
Fully Paid Ordinary Shares (CGB)	2,530	3,912	1,493	2,691	436	**11,062**

20 largest holders of quoted equity securities

	N⁰	**%**
1. VOLCAN AUSTRALIA CORPORATION PTY LTD	9,468,750	3.66
2. LBT CORP PTY LTD	4,190,607	1.62
3. 020428 PTY LTD	3,400,000	1.31
4 . MR NEIL SWEENY	3,336,643	1.29
5. SPICEME CAPITAL PTY LTD	3,200,000	1.24
6. MR ANTHONY ROBERT RAMAGE	2,650,000	1.02
7. MARTIN PLACE SECURITIES NOMINEES PTY LTD	2,355,062	0.91
8. BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	2,332,439	0.90
9. GILSMITH SMSF PTY LTD	1,665,000	0.64
10. MR KARL BAARDA	1,599,988	0.62
11. MR ANDREW KAVASILAS	1,574,405	0.61
12. MR PETER HUBERT OTTA	1,486,000	0.57
13. BNP PARIBAS NOMINEES PTY LTD	1,368,696	0.53
14. MR PRAMOD ADHIKARI	1,200,000	0.46
14. MR MICHAEL ERNEST GRANATA	1,200,000	0.46
16. MR ANDREW CHARLES DELLA-SALE + MRS HAYLEY KRISTEN DELLA-SALE	1,142,412	0.44
17. SUPERHERO SECURITIES LIMITED	1,112,947	0.43
18. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,064,944	0.41
19. MR PHILIP ANDREW STOKES	1,002,001	0.39
20. MR SURASAK BUNPOK	1,000,000	0.39
20. GVC INTERNATIONAL INVESTMENT PTY LTD	1,000,000	0.39
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)	**47,349,894**	**18.29**
Total Remaining Holders Balance	**211,523,663**	**81.71**

Substantial holders

Substantial shareholders in Cann Global Limited and the number of equity securities over which the substantial shareholder has a relevant interest as disclosed in substantial holding notices given to the company are listed below:

There are no shareholders with over 5% interest in the Company.

Unquoted Securities

Unquoted securities on issue as at 12 September 2022:

Unquoted Securities	**N° on issue**	**Exercise Price**	**Expiry Date**
Unquoted options	1,000,000	$0.625	24/03/2023

Names of persons holding more than 20% of a given class of unquoted securities (other than employee options)

As at 12 September 2022

There are no shareholders holding more than 20% of a given class of unquoted securities (other than employee options)

Restricted Securities

As at 12 September 2022

Shares subject to asx-imposed escrow restrictions:

Nil ordinary shares currently on issue are subject to escrow.

Voting rights
All fully paid ordinary shares carry one vote per ordinary share without restriction. unlisted options have no voting rights

Schedule of Mineral Tenements

As at 12 September 2022

Project Name	Project number	Status	Interest Held %	Expiry date
Eastern Australia Bauxite Projects				
South Johnstone	MDL2004	Granted	100%	31/10/2022

Corporate Directory

DIRECTORS

David Austin, Independent Chair Sholom Feldman, Managing Director Jonathan Cohen, Non Executive Director

COMPANY SECRETARY

Alexander Neuling

REGISTERED OFFICE

Level 21, 133 Castlereagh Street
SYDNEY, NSW 2000

Telephone: (02) 8379 1832
Email: sfeldman@canngloba l.com.au

AUDITOR

Nexia Sydney Audit Pty Ltd
Level 16, 1 Market Street
SYDNEY, NSW 2000

Telephone: (02) 9251 4600

SHARE REGISTRY

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
PERTH, WA 6000

Telephone: (08) 9323 2000

BANKERS

Bank of Western Australia
SYDNEY, NSW 2000
National Australia Bank
SYDNEY, NSW 2000

STOCK EXCHANGE LISTING

The Company is listed on the Australian Securities Exchange Ltd (ASX)

AUSTRALIAN SECURITY EXCHANGE CODE

CGB

WEBSITE

www.cannglobal.com.au

ANNUAL FINANCIAL REPORT FY2022

cannglobal

CONTACT :

Address :
Level 21, 133 Castlereagh Street
Sydney, NSW 2000

Phone : (02) 8379 1832

Email : investorrelations@cannglobal.com.au
Web : www.cannglobal.com.au