

50 Corriveau Avenue St. Albert AB T8N 3T5 Telephone: 780-447-8600

Fax: 780-447-8989 Toll Free: 1-800-272-8876

aglc.ca

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TO: Retail Cannabis Licensees

With the launch of cannabis licensing in 2018, Alberta Gaming, Liquor and Cannabis (AGLC) established a maximum number of stores that any one company could apply for (37) based on an estimate of how many licences (250) Alberta would *likely* see by the end of the first year of legalization.

Managing within a maximum cap on the number of licences owned by any single company (person, business or corporation) ensures adequate competition in the marketplace and allows smaller retailers to enter the market. The cap enables compliance with Section 106 of the Gaming Liquor and Cannabis Regulation (GLCR) that requires that no more than 15 per cent of the total number of issued cannabis licences be held by one company.

In keeping with the Alberta Cannabis Framework (https://www.alberta.ca/cannabis-framework.aspx), AGLC will limit licences each year based on existing licences issued the previous year that are still current. As of September 16, 2019, 283 cannabis retail store licences have been issued in Alberta. To ensure the issuing of new licences will not result in more than 15 per cent of the total number of cannabis licences, the maximum number will be set at 42 until December 31, 2020 and is effective immediately.

Questions about licensing can be directed to cannabis.licensing@aglc.ca

Dave Berry Vice President

Regulatory Services

Naveling