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Creso set to benefit from UN decision to reclassify cannabis as a less dangerous drug

- **Landmark decision by the United Nations Commission on Narcotic Drugs sees cannabis withdrawn from Schedule IV classification. Schedule IV substances are considered the most dangerous and addictive drugs**
- **Cannabis reclassified as Schedule I substance, which is the least restrictive drug classification**
- **Decision expected to unlock multiple near term opportunities for Creso Pharma**
- **Signals a significant global trend towards the relaxation of access to cannabis**
- **Paves the way for the relaxing of cannabis classifications in large markets across the world**
- **Creso is extremely well positioned to benefit from this ruling**

Creso Pharma Limited (ASX:CPH, FRA:1X8) ('Creso Pharma' or 'the Company') is pleased to advise that the United Nations Commission on Narcotic Drugs has voted to remove cannabis from Schedule IV of the 1961 drug convention treaty. Under the United Nation's system, Schedule IV substances are considered the most dangerous and addictive drugs. Cannabis will now be classified under Schedule I, which is the least restrictive drug classification.

This is a landmark decision and in essence, recognises the potential medical properties of cannabis. Not only will Creso Pharma's existing global distribution network and foot print, benefit from this ruling, the ruling also has the capacity to unlock a number of near term and medium term opportunities for Creso, with Creso being well positioned to capitalise on such opportunities.

The vote to reschedule cannabis occurred on 2 December 2020 and was undertaken by the Vienna-based Commission on Narcotic Drugs ("CND"). The Commission includes 53 member states. The CND carefully reviewed a series of World Health Organisation ("WHO") recommendations on reclassifying cannabis and its derivatives ahead of the vote.

Creso's Co-founder and Director Boaz Wachtel was part of the European Coalition for Just and Effective Drug Policies ("ENCOD") which was involved in driving the change in classification of cannabis.

Mr Wachtel attended a number of UN Drug Convention meetings in Vienna and assisted in writing and coordinating research papers that were submitted to the Commission of Narcotic Drugs ahead of the vote. He also liaised with some of the 250 Non-Government Organisations that signed a petition around the reclassification of cannabis.



The decision is expected to have major impacts on the cannabis industry, globally. Creso Pharma anticipates that a number of near term opportunities will materialise as a result of the ruling, including opportunities that Creso was not able to pursue before, and the Company will seek to capitalise on these immediately. Creso has an established global footprint and is well funded to pursue multiple growth initiatives.

Commentary

Co-founder and Director, Boaz Wachtel said: *“The UN ruling to reclassify cannabis is a landmark decision and paves the way for the relaxing of cannabis drug classifications in large markets across the world.*

“The result of this vote follows 60 years of status quo, three years of scientific review by the world’s leading health organisations, two years of diplomatic discussions and considerable lobbying from NGOs.

“I am proud and privileged to have been a part of a small group of dedicated activists that have fought for decades to reschedule cannabis. I am very confident that this decision will unlock a number of near term opportunities for Creso Pharma, and I look forward to working with the Board and management to unlock further value for shareholders.”

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Authority and Contact Details

This announcement has been authorised for release by the Creso Board

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About Creso Pharma

Creso Pharma Limited (ASX:CPH) brings the best of cannabis to better the lives of people and animals. It brings pharmaceutical expertise and methodological rigor to the cannabis world and strives for the highest quality in its products. It develops cannabis and hemp derived therapeutic, nutraceutical, and life style products with wide patient and consumer reach for human and animal health.

Creso Pharma uses GMP (Good Manufacturing Practice) development and manufacturing standards for its products as a reference of quality excellence with initial product registrations in Switzerland. It has worldwide rights for a number of unique and proprietary innovative



delivery technologies which enhance the bioavailability and absorption of cannabinoids. To learn more please visit: www.cresopharma.com

Forward Looking statements

This announcement contains forward-looking statements with respect to Creso and its respective operations, strategy, investments, financial performance and condition. These statements generally can be identified by use of forward-looking words such as "may", "will", "expect", "estimate", "anticipate", "intends", "believe" or "continue" or the negative thereof or similar variations. The actual results and performance of Creso could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition and government regulation.

The cautionary statements qualify all forward-looking statements attributable to Creso and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this announcement and Creso has no obligation to up-date such statements, except to the extent required by applicable laws.