



14 August 2020

Creso to Undertake Strategic Board and Management Changes

Creso Pharma Limited (ASX: CPH, FRA:1X8) ('Creso Pharma' or 'the Company') advises that it has executed a number of strategic Board and management changes which will take effect on 15 August 2020. These changes have been undertaken to strengthen the Company's position to pursue several important near-term growth initiatives and commercialisation efforts currently underway across the business, for which the Company looks forward to updating the market in due course.

CEO to transition to Technology, Innovation and Distribution role to drive near-term commercialisation opportunities

Creso Pharma Co-founder and Chief Executive Officer ('CEO'), Dr Miri Halperin Wernli will transition to the role of Technology, Innovation and Distribution head and continue to serve on the Company's Board of Directors. Transitioning to the role of Technology, Innovation and Distribution head will allow Dr Halperin Wernli to focus on new technologies for the hemp and cannabis products globally as well as on furthering the commercialisation and distribution efforts of the Mernova medical cannabis products.

Dr Halperin Wernli has been a driving force in the development, launch and international expansion of Creso Pharma's extensive human and animal health product range. Given Dr Halperin Wernli's considerable experience and strong track record of delivering key milestones, the Company believes the move to Technology, Innovation and Distribution head will allow her to aggressively pursue several near-term initiatives in Europe and Canada.

Dr Halperin Wernli's salary will be reduced from USD\$280,000 to USD\$120,000 for her new role.

Swiss International Operations division executive management strengthened

The Company has also made key internal appointments within its Swiss International Operations division, with Mr Jorge Wernli and Dr Gian Trepp appointed to executive management positions. Both Mr Wernli and Dr Trepp are highly experienced in both the pharmaceutical and hemp/cannabis sector and will report directly to the Board of Directors.

Additional Board changes

Additional Board changes include Mr Boaz Watchel moving from the role of Executive Chairman to Non-Executive Director. The board wishes to thank Mr Wachtel for his contribution and continued support.

Mr Adam Blumenthal will move from a Non-Executive Director to assume the position of Non-Executive Chairman, and Dr James Ellingford will move from a Non-Executive Director to the role of Executive Director.

Mernova Update: Strong revenue growth continues

Following his recent transition to the role of Managing Director of Creso Pharma's wholly owned Canadian subsidiary, Mernova Medical Inc. ('Mernova'), Mr Jack Yu will continue to report directly to the Board. Since his appointment (refer ASX announcement: 11 March 2020), Mr Yu has overseen significant growth within this division, highlighted by securing new commercial relations both in Canada and internationally (for example Israel) towards ~AUD\$2 million in new revenue in CY2020.



Importantly, Mernova is poised to continue this strong growth trajectory over the coming months, driven by a building sales pipeline and growing market demand for Mernova's premium product.

Management Commentary

Non-Executive Chairman, Mr Adam Blumenthal, said: "Firstly, I would like to take this opportunity to thank and congratulate Miri on her dedication and numerous achievements during her time as CEO. Miri has been instrumental in the development and international expansion of Creso Pharma's human and animal health business, and we look forward to her continued input and leadership as the various divisions enter an important commercialisation phase.

In addition, the Company has completed a strategic Board reshuffle which we are confident will strengthen our ability to expedite near-term growth. I can also advise that we are currently in discussions with several highly experienced executives in the cannabis sector, and we are confident that any potential appointment would greatly benefit the Company moving forward and we hope to provide an update on these initiatives shortly."

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Authority and Contact Details

This announcement has been authorised for release by the Board of Creso Pharma Limited.

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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.