



7 July 2022

Heads of Agreement secured with Gotro Global for the introduction of Sierra Sage Herbs LLC pet care products to Singapore

Highlights:

- **Creso Pharma enters into non-binding, non-exclusive Heads of Agreement (“HoA”) with Gotro Global Pte Ltd (“Gotro” or “Gotro Global”)**
- **Gotro focuses on bringing the highest quality pet products and brands to the retail trade for discerning pet owners in the Singapore market**
- **Gotro is a sister company of leading online pet store company, Happy Town Pets which focuses on ranging premium healthy, eco-friendly pet treats and products**
- **Products selected from the Sierra Sage Herbs LLC (“SSH”) range will include Animal First Aid, Animal Pain Relief, Animal Castile Wash and Bugs Be Gone**
- **The pet care industry is a fast growing market – Singapore’s pet food industry generated US\$102m in revenue during 2018 with a CAGR rate of 4.3% expected through to 2021ⁱ**
- **Both parties aim to enter and implement a formal Collaborative Agreement on or before 31 August 2022, unless extended by mutual agreement between the parties**
- **Project development work to run concurrently prior to 31 August 2022 with product introductions targeted for Q3 2022**

Creso Pharma Limited (ASX:CPH, OTC:COPHF, FRA:1X8) (‘Creso Pharma’ or ‘the Company’) is pleased to advise that it has signed a non-binding, non-exclusive Heads of Agreement with leading pet care products distributor, Gotro Global.

The HoA is a welcomed step forward in providing Creso Pharma with a potential foothold in the lucrative Singapore pet care market.

Gotro Global brings some of the world's best pet brands to Singapore. It is focused on sourcing products which are most in-demand by customers and market through the still dominant retail channel. Gotro also has a sister company, Happy Town Pets which is a leading Singaporean online company, focused on e-commerce sales. Happy Town Pets has an established client base and is a significant distribution channel for pet care products.

Under the HoA, the parties have agreed to enter and progress a Collaborative Agreement on or before 31 August 2022 (“Expiration Date”), with the parties being able to extend this timeframe by mutual agreement (“Collaborative Agreement”). The HoA can be terminated upon either party giving written notice at any time prior to the execution of a Collaborative Agreement. There has been no consideration set between the parties under the HoA.

This Collaborative Agreement is intended to set out the terms upon which Creso Pharma and Gotro Global will:

1. Commercialise select products from Creso Pharma’s target acquisition company, Sierra Sage Herbs’ (SSH) pet care product range in the Singaporean market.

2. Explore further commercialisation options for current and future innovative products.

The pet care industry represents a fast growing opportunity for Creso Pharma. In Singapore, the pet food industry generated revenue of US\$102m and had an expected compound average growth rate of 4.3% through to 2021ⁱⁱ.

About Sierra Sage Herbs Salves & Pet Care Products:

SSH salves are fundamentally different from other products on the market. SSH’s herbs are carefully sourced from organic farmers, with the product’s defining characteristic being a lipid infusion process. Rather than using pre-made extracts, SSH infuses fresh and dried herbs in organic oils over low heat for an extended amount of time to increase the potency value of the products.

Green Goo Animal First Aid’s powerful formula is fortified with calendula, yarrow, and comfrey to help soothe and repair minor wounds. It’s portable first aid for all domesticated animals.

Green Goo Animal Pain Relief is power packed with arnica, ginger, menthol, and peppermint to temporarily help ease the aching of arthritis, sore muscles, bruises, and strains. It offers potent, effective relief for all your favourite four-legged friends.

Green Goo Animal Castile Wash is a gentle, all-natural, multi-purpose soap for every household, farming, and homesteading need. Use it to wash dirty fur, hair, skin, muddy paws, or hooves.

Green Goo Bugs Be Gone is a 100% all-natural, unique and highly effective blend of carefully selected herbs and essential oils that help repel insects. Bugs Be Gone does not contain synthetic chemicals, DEET, or citronella.



SSH Green Goo branded pet care products slated for potential introduction into the Singaporean market

**Commentary:**

CEO and Managing Director William Lay said: *“This collaboration has grown from a strong alignment on the view that consumers want high quality, healthy, eco-friendly pet care products. We’re delighted to have the opportunity to work with Gotro Global and we’re looking forward to building a great business together in Singapore.”*

CEO and Co-Founder of Sierra Sage Herbs Jodi Scott said: *“We know from our successes in the North American market that pet parents just love our Green Goo products. And it’s because they’re all-natural, plant based and highly effective. We feel confident of a similarly enthusiastic response from pet owners in Singapore and we’re excited to work with the team at Gotro Global on their introduction.”*

Managing Director and Co-Founder of Gotro Global Gordon Nugent said: *“At Gotro, we pride ourselves on being a trustworthy liaison between manufacturers who care about producing great products and retailers who care about their customers. The Green Goo pet care range fits perfectly into our portfolio and we know they’ll be a great hit with pet lovers. We’re delighted to work with the Creso-SSH team on bringing these great products to Singapore.”*

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Authority and Contact Details

This announcement has been authorised for release by the Disclosure Committee of the Board of Directors 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

About Gotro Global Distribution

Gotro Global Distribution was started in 2021 by Gordon Nugent & Troy Elmes in Singapore. Gordon, with 20 years experience in retail, strongly believes in the concept that independent retailers like groomers, veterinary clinics and retail stores are the backbone of neighborhood communities. He felt there was a need for an assortment of high-quality pet products from



smaller manufacturers, several of which were not yet distributed in Singapore; and thus, the creation of Gotro Global Distribution.

Gotro Global brings some of the world's best pet brands to Singapore. They focus on bringing customers in demand products, at prices that offer them outstanding value for money. When all is said and done, what it really comes down to is the relationship that people have with their pets and our planet. Our mission is to raise the standards of pet health and minimise waste to our planet by providing the best products that foster that relationship and give our retailers the tools they need to put them in people's hands. Getting the basics right to help our independent retailers shine. To learn more please visit: www.gotroglobal.com & www.happytownpets.com.sg

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Forward Looking statements

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

ⁱ <https://www.craftdrivenresearch.com/singapore-pet-care-industry/#:~:text=Singapore's%20pet%20food%20industry%20generated,US%24%2028%2C662%20million%20in%202018.>

ⁱⁱ <https://www.craftdrivenresearch.com/singapore-pet-care-industry/#:~:text=Singapore's%20pet%20food%20industry%20generated,US%24%2028%2C662%20million%20in%202018.>