



ASX Announcement

12 October 2020

Secured Debt Update

Creso Pharma Limited (ASX:CPH, FRA:1X8) ('Creso Pharma' or 'the Company') is pleased to advise that it has made cash payments to each of L1 Capital Global Opportunities Master Fund ('L1 Capital'), Lind Global Macro Fund, LP ('Lind'), and Chifley Portfolios Pty Limited ('Chifley') to complete the early redemption and cancellation of the convertible securities held by those parties. The collateral shares held by L1 Capital, Lind and Chifley have also been collateralised with immediate effect. Further details of these arrangements and the collateralisation are set out in the ASX announcement released on 7 October 2020.

The secured lenders have released Creso Pharma from their ongoing obligations in respect of the convertible notes, the convertible securities agreements and the corresponding security arrangements granted over the Company's assets with immediate effect. The Company and the secured lenders will formalise the release of the formal security arrangements over the coming weeks.

Following the cancellation of the convertible notes, Creso Pharma will have 1,666,667 convertible notes on issue which are held by Suburban Holdings Pty Limited ('Suburban Holdings'). As announced on 7 October 2020, the Company will seek shareholder approval of the terms of the early redemption in respect of the convertible notes held by Suburban Holdings.

The early redemption and cancellation of the convertible securities has enabled Creso to strengthen its balance sheet, and provides the Company with the financial flexibility to exercise many of its key short-term strategic initiatives and grow into its next phase.

Creso Pharma thanks L1 Capital, Lind, Chifley and Suburban Holdings for their ongoing support of Creso Pharma and its operations.

-Ends-

Authority and Contact Details

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

For further information, please contact:

Investor / Media Queries:

Ben Jarvis
Six Degrees media
0413 150 448

Corporate Enquiries

EverBlu Capital
E: info@everblucapital.com
P: +61 2 8249 0000



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 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.