



3 June 2021

## **Halucenex Life Sciences Inc. to target Californian market following recent favourable legislative shift**

- **Senate Bill 519 passed by Californian State Senate which could legalise the use and possession of psilocybin and other psychedelic compounds**
- **Bill was introduced to progress a health focused approach to psychedelic use**
- **Highlights ongoing acceptance and regulatory shift towards psychedelics as an alternative treatment route for debilitating mental health conditions**
- **Creso Pharma to progress opportunities through US-based personnel including Director of US Business Development John Griese and Bruce Linton**
- **Halucenex is in active discussions with strategic partners to delineate market entry strategies and regulatory requirements**
- **Management to accelerate agreement with US-based scientific consulting firm HeteroGeneity to accelerate US market entry**
- **Californian Senate Bill approval cements Creso's USA market entry strategy**

**Creso Pharma Limited (ASX:CPH, FRA:1X8) ('Creso Pharma' or 'the Company')** is pleased to advise that target acquisition company Halucenex Life Sciences Inc. ("Halucenex") and Creso Pharma management is actively exploring a number of go-to market strategies following recent favourable regulatory shifts in California.

Creso Pharma together with Halucenex have made the decision to expedite a Californian market entry following the recent passing of Senate Bill 519 ("SB 519") through the California State Senate<sup>i</sup>, subject to further regulatory approval from California's lower house and the Governor of California. If signed into law, SB 519 could make a wide range of psychedelic substances, including psilocybin, legal to use and possess for adults over the age of 21, as well as expunge prior criminal offences for use and possession.

The bill was introduced to progress a more health-focused approach to the use of psychedelic compounds and to address the current mental health crisis in the US. It also marks the ongoing push towards acceptance of psychedelic compounds as an alternative treatment route.

The recent development highlights a major market opportunity for Creso Pharma and Halucenex, which it intends to capitalise on in the near term. The Company will work with its Director of US Business Development, Mr John Griese (refer ASX announcement: 6 April 2021), and strategic advisor and leading psychedelics entrepreneur Mr Bruce Linton (refer ASX announcement: 7 October 2020) to progress partnerships and market entry strategies.

Halucenex has also progressed discussions with strategic scientific consulting firm and US-based partner HeteroGeneity, LLC (HeteroGeneity) (refer ASX announcement: 26 May 2021) to accelerate a development plan which has the potential for its botanical psilocybin products and compounds to be made available for the US market following the receipt of regulatory approvals.



Creso Pharma will continue to bolster its exposure to the US market in an attempt to become a first mover in the psychedelic sector. New hires to add support to expansion efforts are currently being explored.

The Company is also pursuing DTC eligibility for its upcoming OTCQB (“OTC”) dual listing, which will allow for real time electronic trades of Creso Pharma’s securities and easier access for North American investors. This is expected near term and will provide additional exposure for Creso Pharma during a pivotal growth period.

**Commentary:**

**Non-executive Chairman Adam Blumenthal said:** *“This is a major development for Creso Pharma and Halucenex and provides a key strategy piece, which will underpin our expansion into the US market.”*

*“Over the recent months, we have made a number of US focused appointments and Halucenex have secured multiple partnerships and agreements that will allow the Company to pursue the US psychedelics market and become a first mover in the sector.”*

*“The Board and management team are actively assessing a number of strategies to expedite a US market entry and will leverage our existing partnerships and technical experience in the psychedelics space to unlock further value for shareholders.”*

*“We look forward to updating shareholders on developments when they materialise.”*

**Halucenex founder and CEO Bill Fleming said:** *“The passing of this legislation through the senate highlights a significant shift in the acceptance of psychedelic compounds as an alternative treatment method to common and debilitating diseases.”*

*“Creso has considerable bench strength which we will leverage, as well as in-country personnel that will be able to progress potential partnership opportunities, regulatory approval processes and future licencing agreements.”*

*“We are very excited to be working with Creso management and our own technical team to delineate strategies which will see the Company become one of the first market movers in what is anticipated to become a considerably large market.”*

**-Ends-**

**Authority and Contact Details**

This announcement has been authorised for release by Adam Blumenthal, Chairman 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](http://www.cresopharma.com)

## About Halucenex Life Science:

Halucenex is a life sciences development company with a focus on researching novel psychedelic compounds, developing and licensing psychedelic compounds for the pharmaceutical and nutraceutical markets, and conducting clinical trials on the medical benefits of psychedelic medicine. Halucenex operates a 6000 sq. ft. medical facility in Windsor, Nova Scotia with 6 treatment rooms and a secure laboratory dedicated to performing psychedelic-assisted psychotherapy and clinical research. Halucenex intends to maintain control over all aspects of the product development process – mycological research, extraction technology, and synthetic formulation as well as drug delivery technologies, psychedelic-assisted psychotherapy and regulatory affairs. [www.halucenex.com](http://www.halucenex.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.

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<sup>i</sup> <https://www.courthousenews.com/california-senate-approves-psychedelic-decriminalization-bill/>