



## Announcement Summary

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**Entity name**

CRESO PHARMA LIMITED

**Announcement Type**

New announcement

**Date of this announcement**

Friday March 26, 2021

**The Proposed issue is:**

A placement or other type of issue

**Total number of +securities proposed to be issued for a placement or other type of issue**

<b>ASX +security code</b>	<b>+Security description</b>	<b>Maximum Number of +securities to be issued</b>
n/a	Options	23,684,211
CPH	ORDINARY FULLY PAID	98,336,843

**Proposed +issue date**

Thursday April 1, 2021

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

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**1.1 Name of +Entity**

CRESO PHARMA LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

**1.2 Registered Number Type**

ABN

**Registration Number**

89609406911

**1.3 ASX issuer code**

CPH

**1.4 The announcement is**

New announcement

**1.5 Date of this announcement**

Friday March 26, 2021

**1.6 The Proposed issue is:**

A placement or other type of issue



## Part 7 - Details of proposed placement or other issue

## Part 7A - Conditions

**7A.1 - Are any of the following approvals required for the placement or other type of issue?**

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

 Yes

## 7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Friday May 28, 2021	<input checked="" type="checkbox"/> Estimated	No

**Comments**

Subject to shareholder approval, up to 23,684,211 Options will be issued to Placement Participants, on the basis of one option issued for every four shares issued under the Placement, for nil cash consideration. Subject to shareholder approval, the Company will also issue up to 3,600,000 Shares to EverBlu Capital Pty Ltd ('EverBlu') for their appointment as lead manager to the placement. For further information, refer to the ASX release dated 26 March 2021.

## Part 7B - Issue details

**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

 Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

 Yes

## Details of +securities proposed to be issued

**ASX +security code and description**

CPH : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

94,736,843

**Offer price details**



**Are the +securities proposed to be issued being issued for a cash consideration?**

Yes

**In what currency is the cash consideration being paid?**

AUD - Australian Dollar

**What is the issue price per +security?**

AUD 0.19000

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

Yes

Attaching +Security

**Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?**

New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

**Details of attaching +securities proposed to be issued**

**ISIN Code (if Issuer is a foreign company and +securities are non CDIs)**

**Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?**

No

**Will the entity be seeking quotation of the 'new' class of +securities on ASX?**

No

**ASX +security code**

New class-code to be confirmed

**+Security description**

Options

**+Security type**

Options

**Number of +securities proposed to be issued**

23,684,211

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**

No



**Please describe the consideration being provided for the +securities**

Subject to shareholder approval, up to 23,684,211 Options will be issued to Placement participants on the basis of one option for every four shares issued under the Placement, for nil cash consideration. For further information, refer to the ASX announcement released on 26 March 2021.

**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**

**Will all the +securities issued in this class rank equally in all respects from their issue date?**

Yes

Options details

**+Security currency**

AUD - Australian Dollar

**Exercise price**

AUD 0.3800

**Expiry date**

Saturday May 28, 2022

**Details of the type of +security that will be issued if the option is exercised**

CPH : ORDINARY FULLY PAID

**Number of securities that will be issued if the option is exercised**

Up to 23,684,211 Options.

**Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.**

Refer to ASX announcement dated 26 March 2021. Further disclosures will be outlined in a Notice of Meeting to be released in advance of a General Meeting at which approval of the issue of 23,684,211 options will be sought. The expiry date set out above is indicative only. The actual expiry date will be set on the date that is 12 months from the date of issue.

**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

No

Details of +securities proposed to be issued

**ASX +security code and description**

CPH : ORDINARY FULLY PAID



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**Number of +securities proposed to be issued**

3,600,000

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**

No

**Please describe the consideration being provided for the +securities**

Subject to shareholder approval, the Company has agreed to issue up to 3,600,000 Shares to EverBlu Capital Pty Ltd ("EverBlu") in part consideration for EverBlu's appointment as lead manager of the Company's current Placement. For further information, refer to the ASX announcement released on 26 March 2021.

**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

Yes

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Part 7C - Timetable

**7C.1 Proposed +issue date**

Thursday April 1, 2021

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Part 7D - Listing Rule requirements

**7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?**

No

**7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

No

**7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?**

Yes

**7D.1c ( i ) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?**

94,736,843 Shares to Placement Participants.



**7D.1c ( ii ) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate**

The Company notes the certainty of funds and immediacy of payment associated with a placement.

**7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?**

No

**7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?**

No

**7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?**

No

## Part 7E - Fees and expenses

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**7E.1 Will there be a lead manager or broker to the proposed issue?**

Yes

**7E.1a Who is the lead manager/broker?**

EverBlu Capital Pty Ltd ("EverBlu") acted as lead management to the Placement.

**7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?**

EverBlu will earn a 6% cash fee and one million shares per \$5 million raised, being the 3,600,000 shares the subject of this Appendix 3B.

**7E.2 Is the proposed issue to be underwritten?**

No

**7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue**

N/A

## Part 7F - Further Information

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**7F.01 The purpose(s) for which the entity is issuing the securities**

The funds raised will be deployed to undertake psychedelic clinical trials upon completion of the Halucenex transaction, advance sales of nutraceutical products globally and increase marketing of cannabis products through Canada.

**7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?**

No



**7F.2 Any other information the entity wishes to provide about the proposed issue**

The planned date of issue for 94,736,843 shares under the Placement is 1 April 2021. All of the other issues, being 23,684,211 options to placement participants and 3,600,000 shares to EverBlu will be issued subject to shareholder approval at a future General Meeting. The date of the General meeting set out in this Appendix 3B is indicative only.