



3 November 2022

Creso Pharma's wholly owned Canadian subsidiary, Mernova Medicinal Inc. secures Cannabis 2.0 sales license

Highlights:

- **Licence amendment from Health Canada permitting the sale of cannabis extracts, electronic vaporisers and edibles across all approved provinces and medicinal channels**
- **Builds on Mernova's existing Health Canada sales licence and allows the Company to considerably broaden sales footprint across the country**
- **Licence amendment unlocks access to new provinces for cannabis 2.0 products, which could not be entered previously due to contract manufacturing relationships**
- **Mernova to initially focus on increasing product uptake and sales of its leading *Ritual Gold* electronic vaporiser range**
- ***Ritual Gold* is a newly released product for 2022 and is made from cannabis flower not fit for retail sales – unlocking added cost savings for the Company**
- **Management is confident that the new license will result in two new provinces taking on the *Ritual Gold* range imminently, with others potentially to follow in the medium term**
- **Ongoing product development initiatives advancing to capitalise on growth opportunities**

Creso Pharma Limited (ASX:CPH, OTC:COPHF, FRA:1X8) ('Creso Pharma' or 'the Company') is pleased to advise that wholly-owned Canadian subsidiary, Mernova Medicinal Inc. ("Mernova") has received approval from Health Canada for an amended licence permitting the sale of cannabis extracts, electric vaporisers, edibles and topical products ("cannabis 2.0 licence").

The licence amendment builds on the Company's original sales licence from Health Canada (refer ASX announcement: 10 June 2020) and provides Mernova with the opportunity to directly sell its expanded portfolio of craft cannabis 2.0 products through its all approved provincial partners and medicinal avenues.

The Company will leverage its cannabis 2.0 licence to enter into new provincial markets, which could not be accessed previously due to contract manufacturing relationships. The company is confident that the receipt of this license will allow the *Ritual Gold* range to enter at least two new provinces imminently and additional provinces in the medium to short term.

Mernova will focus on increasing product uptake and sales of its *Ritual Gold* range of handheld cannabis vaporisers, which utilise cannabis inventory and production by-products not optimal for pre-processed form for retail channels. The *Ritual Gold* range is currently sold throughout Ontario, New Brunswick and Saskatchewan.

Creso Pharma will also progress ongoing product development opportunities to fully capitalise on its cannabis 2.0 licence.

**Management commentary:**

CEO and Managing Director, Mr William Lay said: *“Being granted another licence amendment from Health Canada highlights the calibre of our Canadian operations and the significant opportunity the Company has to continue growing in the premium, craft cannabis space.*

“While we have been witnessing sales of our Ritual Gold products through select provinces, this was limited due to contract manufacturing relationships. The amended licence should allow us to enter at least two new territories with the Ritual Gold range imminently. .

“We plan to immediately leverage the cannabis 2.0 licence and have already entered into discussions with key province partners. The Board and management look forward to providing additional updates shortly.”

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Authority and Contact Details

This announcement has been authorised for release by the Disclosure Committee 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

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Forward Looking statements

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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.