



9 March 2021

## **LOI secured with ImpACTIVE to drive growth in North America and Europe**

### **Highlights:**

- **ImpACTIVE is a Canadian company focused on CBD-based products that reduce muscle and joint inflammation**
- **Creso has entered into a non-binding LOI for the distribution of cannaDOL and cannaQIX® in Canada and US**
- **Creso has also agreed to distribute ImpACTIVE's product range in Europe alongside its cannaDOL product, with an initial focus on the sports and healthcare markets**
- **Creso has access to over 2,100 pharmacies and 400 sport and fitness centres in Switzerland and expects to receive strong uptake**
- **Global market for CBD products in the sport and recreation industries estimated to be valued at US\$22Bn by 2022 and C\$220m in Canada alone<sup>i</sup>**

**Creso Pharma Limited (ASX:CPH, FRA:1X8) ('Creso Pharma' or 'the Company')** is pleased to advise that it has signed a non-binding Letter of Intent ("LOI") with ImpACTIVE Holdings Ltd ("ImpACTIVE") ([www.impactive.ca](http://www.impactive.ca)) to distribute the Company's suite of hemp CBD based human health products, CannaDOL and cannaQIX®, in Canada and the US. As part of the LOI, Creso will also obtain the rights to distribute ImpACTIVE's CBD roller application in Switzerland and Europe.

ImpACTIVE is a Canadian company, founded by current and former high-profile athletes who have struggled with injury and wanted to provide an alternative treatment route to the athletic community. Impactive has developed a range of CBD based products, designed to reduce muscle and joint inflammation without the use of heavy narcotics or prescription pharmaceuticals, and its products are promoted by several well-known brand ambassadors.

Under the agreement, the parties have agreed to enter into a formal commercial agreement on or before 1 April 2021 setting out the terms upon which ImpACTIVE will distribute Creso Pharma's cannaDOL and cannaQIX® products through its established sales channels in Canada and the USA.

Further, Creso will also become an authorised distributor of ImpACTIVE's CBD based roll on product range, with an initial focus on Switzerland with launch expected to commence April 2021.

Creso will target the growing sports and recreational market through a range of retail outlets. The Company currently has access to all key wholesalers in Switzerland, reaching over 2,100 points of sale through pharmacy networks, drugstores and specialised retailers. The Company also has access to over 400 sport and fitness centres, and large specialist retailer groups.

The initial term of the agreement is one year ("Initial Term") and will automatically renew after one year ("Renewal Term"), unless either party notifies the other of their decision to not renew the agreement within 90 days prior to the expiry of the Initial or Renewal Term. Initial Term and Renewal Terms are subject to termination for cause upon notice by either party, or upon failure to meet the above referenced renewal conditions.



Each distributing party is responsible for obtaining all the necessary regulatory approvals and registrations required to sell the hemp CBD based products in the relevant jurisdiction.



**Images:** Impactive pro relief stick, cannaDOL 0.5% and 1% 100mL gel tubes and CannaQIX10

**Creso's Commercial Director Jorge Wernli, said:** "We are very proud to enter the sports and recreational market with such a high calibre partner as ImpACTIVE. This LOI is important for Creso Pharma, as it further broadens our international footprint and provides another large market opportunity."

"We look forward to working with ImpACTIVE to ensure all products are well received in Europe and North America, and also leveraging their innovative product range to further add to the Company's growing sales profile."

The launch of cannaDOL will be supported by high profile influencer and two-time WFF World Vice Champion Jenny Dietschweiler, who added: "*cannaDOL* brings substantial fast relief to joints and the muscles after intensive training. It enables faster high-performance and re-achievement. cannaDOL is really the way to enhance mobility".

**-Ends-**

#### **Authority and Contact Details**

This announcement has been authorised for release by the Board 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)

**ImpACTIVE Holdings Ltd** is a proudly Canadian company that echoes the values that helped build our nation, the Canadian communities and athletes, it supports: the Canadian Sports Institute, the Canadian Center for Mental Health and Sport, Coaching Association of Canada, Program led by Mark Fraser in collaboration with The Players Tribune. The company was founded by current and former athletes who share a passion for sport and a fiery competitive spirit. After struggling with injuries, they saw and seized an opportunity to give back to the athletic community that has given them so much ([www.impactive.ca](http://www.impactive.ca)).

**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>1</sup> <https://www.brightfieldgroup.com/post/cbd-worth-22-billion-by-2022>