



ASX Announcement

30 April 2019

Creso signs Distribution Agreement with Burleigh Heads Cannabis and secures import permit for the introduction of its medicinal cannabis product, cannaQIX® 50 to Australia

Highlights

- Creso Pharma confirms receipt of an import permit for its first shipment of its innovative therapeutic product cannaQIX® 50 to Australia to be sold as a therapeutic product via approved channels
- Comprehensive Distribution Agreement signed with Burleigh Heads Cannabis, one of Australia's leading medicinal cannabis distribution companies
- Creso and Burleigh Heads Cannabis agree to explore the introduction of additional therapeutic/medicinal products from Creso's pipeline of new products to be produced by Creso at its production facilities globally

Creso Pharma Limited (ASX:CPH, FRA:1X8) (the "Company" or "Creso") is pleased to announce that it has signed an exclusive Distribution Agreement with Burleigh Heads Cannabis, one of Australia's foremost medicinal cannabis distribution companies, to geographically expand the distribution of its innovative therapeutic medicinal cannabis products into Australia.

Creso and Burleigh Heads Cannabis have received the necessary regulatory acceptance for the first shipment of Creso's flag-ship medicinal cannabis product, cannaQIX® 50, to be imported in Q3 2019 as a therapeutic product for sale via approved channels.

Dr. Miri Halperin Wernli, Creso Pharma's CEO and co-founder said, "We are delighted to announce the formal signing of this milestone Distribution Agreement for Australia. Burleigh Heads Cannabis and CDA Clinics Australia are rapidly expanding their patient reach, bringing an excellent channel for our innovative products."

Mr Guy Headley, Director of Operations is excited to formalise the exclusive Distribution Agreement with Creso. "We are impressed with Creso's commerciality and the collaborative nature in which the agreement was reached. We are excited to provide Creso Pharma with an avenue to market which in turn provides Australian patients and doctors with another



quality product option to utilise in patient care. We look forward to working with Creso Pharma as they develop further products in the coming months."

About cannaQIX® 50 in medicinal cannabis

cannaQIX 50® is Creso's proprietary buccally formulated cannabidiol ("CBD") lozenge which is designed to support the management of chronic pain. Each cannaQIX 50® lozenge contains 50mg of CBD from full spectrum hemp plant extracts along with niacin, vitamins B6, B12, C, and zinc in a standardized pharma-grade formulation produced in Switzerland. cannaQIX 50® comes in packs of 30 lozenges in a proprietary delivery formulation designed for buccal absorption and to dissolve in the mouth. This method works faster and more efficiently than tablets or capsules which need to be swallowed and have a high percentage of their ingredients broken down when absorbed through the intestine and passed first through the liver. By being dissolved in the mouth, the active ingredients enter the blood stream directly, avoiding this first pass through the liver.



cannaQIX 50® has been developed to Good Manufacturing Practice standards and is produced in Switzerland by Creso's partner Swiss-based food and pharma development company, Domaco, Dr. med Aufdermaur AG ("Domaco") to the highest Swiss quality with a "Swiss Made" label.



About Creso Pharma

www.cresopharma.com

Creso Pharma 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 uses GMP 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.

About Burleigh Heads Cannabis and Cannabis Doctors Australia (CDA) Clinics

www.burleighheadscannabis.com

CDA Health Pty Ltd, through its subsidiaries, Burleigh Heads Cannabis Pty Ltd and Cannabis Doctors Australia Pty Ltd provides a market entry solution to local and international businesses seeking to gain access to Australia's Medical Cannabis market.

Burleigh Heads Cannabis is a fully licensed Medical Cannabis wholesaler which utilises its secure cold-chain facility on the Gold Coast and national pharmacy partner network to provide local and International producers a streamlined importation and distribution service throughout Australia.

CDA operates CDA Clinics, doctor-led Medical Cannabis clinics throughout Australia through its network of physical clinics and TeleHealth consultation services. CDA Clinics is one of, if not the first clinic group to pass the key milestone of 1000 SAS B patient approvals and 1500 prescriptions since launching in October 2018.

CDA Health through CDA clinics and Burleigh Heads Cannabis provide an attractive opportunity for quality producers to effectively introduce innovative products to Australian patients.

CDA Health is embarking on an equity raise offer through crowdfunding, with a goal to remain a strong, adaptive and independently owned mainstay of the Australian Medical Cannabis industry. If you would like to register your interest, please head to www.cdaclinics.com.au/investors.



About Domaco, Dr. med Aufdermaur AG

www.domaco-pharma.com

Domaco, Dr. med Aufdermaur AG is a Swiss-based food and pharma development company that owns the rights to a number of innovative delivery systems used to administer active ingredients through galenic forms which is a way of preparing and compounding medicines in order to optimise their absorption.

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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