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Halucenex Life Sciences Inc. enters into advisory agreement with biotechnology company Growing Together Research Inc.

Halucenex to expand R&D into other compounds such as LSD, MDMA and Ketamine

Due Diligence on the Halucenex acquisition continues positively

Highlights

- **Growing Together Research Inc. is a US-based biotechnology company focused on applying cutting-edge computational genomics and bioengineering to plant medicine**
- **Advisory agreement will allow Halucenex to gain a better understanding of components of psychedelic mushrooms and use for specific conditions**
- **Initial data from sequencing expected to assist Halucenex with treatment development initiatives and generating higher yield from extraction and cultivation**
- **Agreement expected to lay foundation for bolstering intellectual property portfolio**
- **Strategic decision to further expand research initiatives and include other psychedelic compounds such as LSD, MDMA and Ketamine**
- **Broadened compound portfolio to underpin future product development initiatives and add to growing body of evidence for psychedelic based treatments**

Creso Pharma Limited (ASX:CPH, FRA:1X8) ('Creso Pharma' or 'the Company') is pleased to provide the following update on recent activities undertaken by target acquisition company, Halucenex Life Sciences ("Halucenex").

Halucenex has entered into an advisory agreement with Growing Together Research Inc. ("GTR") to explore the genome sequencing of natural psilocybe. Halucenex has also made the strategic decision to incorporate the use of additional psychedelic substances including LSD, Ketamine and MDMA in its treatment development initiatives for disorders including treatment resistant depression, Post Traumatic Stress Disorder (PTSD) and other mental health illnesses.

Agreement with GTR:

The agreement with GTR will assist Halucenex in creating an intellectual property portfolio to assist in maximising the active ingredients in various strains of magic mushrooms and explore which elements have the best efficacy when being used to treat specific conditions.

GTR is a US-based company that specialises in computational genomics and bioengineering. Founded in 2017, the company has focused on exploring the potential of the *Cannabis sativa* (hemp) organism. GTR is made up of a leading, multi-disciplinary team of geneticists, computer scientists and bioinformatics specialists that will assist Halucenex with a number of objectives.



Initially and pending the receipt of Halucenex's Dealer Licence amendment, the parties will focus on sequencing and analysing the genomes of psychedelic mushrooms, particularly the *Psilocybe cubensis* strain. Analysis will be focused interpreting the genetic determinants of the target compounds in strains, as well as any potential friction points during cultivation.

Following the initial analysis phase, Halucenex and GTR will determine targets for IP development around the psilocybe organism. Once established, Halucenex can pursue the creation of optimised psychedelic organisms for specific use cases, including the treatment of particular conditions. These can either be used solely by Halucenex or potentially licenced to other companies for a royalty payment.

A long term goal of the collaboration is to create an entire set of *Psilocybe cubensis* phenotypes, which will be tailored to specific use cases. This will include both extraction of compounds from a fungal biomass standpoint and a holistic organisms to provide whole mushrooms to medical professionals to administer in a standardised format.

Expansion of research scope:

The Company is also pleased to advise that Halucenex will now expand its R&D initiatives into additional psychedelic substances including LSD, Ketamine and MDMA for use in the treatment of mental health disorders. The portfolio extension will occur following the receipt of the Company's amended Dealer Licence and considerably broaden the potential opportunities for Halucenex.

This is a pleasing development, which the Company anticipates will assist Halucenex in growing its future product suite. Additional clinical trial initiatives will also add to the growing body of evidence for the use of psychedelic compounds across specific mental health conditions.

Halucenex is currently exploring initiatives to utilise additional psychedelic substances at its 6,000 sq ft treatment facility in Nova Scotia, Canada.

Commentary:

Non-executive Chairman Adam Blumenthal said: *"Halucenex continues to achieve a number of key milestones which will lay a strong foundation in its clinical trial schedule and future treatment development initiatives."*

"The agreement with GTR will provide the Company with a scientifically backed approach, which allows for a better understanding of the important components of psilocybin mushrooms and how particular components can be used most effectively."

"We are very confident that the genome sequencing initiatives and the group's strategic decision to expand the range of compounds that it is researching, will unlock a number of opportunities for the Company in the future."

Halucenex Founder & CEO Bill Fleming said: *"With genome sequencing data of natural psilocybe, Halucenex will seek to create an intellectual property platform around the genome and seek the ability to maximise the active ingredients in the psychedelic compound in various strains."*

"This will lead to consistency and standardisation of psychedelic compounds and will give us the potential to generate higher yields of the important plant components during cultivation and extraction processes."

"As the medical community advances research and clinical trials with psilocybin mushrooms, data will be accumulated, and comparisons with various strains of mushrooms will be made for mental



and physical disorders and addictions. Once it is known which strains work best for which disorder or addiction, these strains will be sequenced and we will be able to optimise our growth to meet the increasing demand for an alternative treatment.”

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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

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



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.

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