



ASX Announcement

11 May 2017

Creso signs Letter of Intent with LeafCann to significantly expand Creso's future offering to the Australian market

Highlights:

- **Creso signs strategic agreement with pre-eminent Australian medicinal cannabis producer LeafCann**
- **LeafCann will supply GMP-standard cannabis and hemp-derived materials to Creso to produce therapeutic products for the human and animal health markets**
- **Partnership further advances Creso's leadership position in the growing Australian medicinal cannabis industry**
- **The two parties will also work together on joint product development**
- **This agreement comes soon after Creso became the first to successfully import medicinal cannabis products into Australia under the new Government rules**

Creso Pharma Limited (ASX:CPH, "Creso" or the "Company") is pleased to announce that it has signed a binding Letter of Intent (LOI) with Australian medicinal cannabis producer, LeafCann Group Pty Ltd (LeafCann), to accelerate the development and commercialisation of locally manufactured medicinal cannabis products in Australia.

Through the strategic agreement, LeafCann will supply Creso with cannabis and/or hemp-derived materials to Good Manufacturing Practice (GMP) standards, which will be used to develop, manufacture, sell and commercialise Creso's pharmaceutical-grade therapeutic products for the human and animal health markets in Australia. The parties will also work together on joint product development.

The partnership strengthens Creso's strategic leadership position in the sector and the Company is well placed to capitalise on the growth in the Australian market following federal and state legislative changes to support research, cultivation and production of medicinal cannabis.

Creso became the first company to successfully import medicinal cannabis products into Australia, as announced on the ASX on May 2, 2017. There is growing demand for medicinal cannabis products in Australia as acceptability grows. Creso's ability to access locally cultivated and manufactured product, produced to the highest grade pharmaceutical quality in Australia, will be instrumental in filling this unmet market need.

"We are delighted to have the opportunity to work with LeafCann, a pioneer of the Australian medicinal cannabis industry. The quality of supply that LeafCann will provide will help us manufacture products that meet international pharmaceutical standards," said Creso's Chief Operating Officer, David Russell.

"The depth of Pharmaceutical experience and expertise that Creso brings to the industry sets us apart from the competition, and we are uniquely placed to become a leader in the market and to help shape the development of the industry."



LeafCann is an Australian-based medicinal cannabis grower established by Co-founders Chris Nasr and Elisabetta Faenza. Mr Nasr and Ms Faenza came together to form LeafCann, driven by personal experiences with chronic illness and pain. Supported by the expertise of Dr Jaroslav Boublik, PhD (Med) as LeafCann group CEO and Visage invest financiers, LeafCann's goal is to provide Australians with access to safe, reliable and affordable medicinal cannabis.

"We are very excited to be moving forward with Creso Pharma through this collaborative partnership, ensuring ongoing patient access and Australian industry and product development," said Co-founder of LeafCann Group Chris Nasr.

Creso CEO and Co-founder Dr. Miri Halperin Wernli added, "Creso and LeafCann will work together in a patient oriented manner with commitment to encourage and maintain a pioneering spirit fostering the true nature of innovation from which cutting edge ideas will be translated into evidence-based therapeutic solutions."

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About Creso Pharma

Creso Pharma brings pharmaceutical expertise and methodological rigour to the world of medical cannabis and strives for the highest quality in its products. It is the leader in cannabidiol (CBD) innovation and develops cannabis- and hemp-derived therapeutic-grade CBD nutraceuticals and medical cannabis products with wide patient 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 LeafCann Group

The LeafCann group's mission is to advance the re-introduction of cannabis in medicine and nutrition through conducting and supporting product research and development, clinical trials, commercial cultivation and GMP manufacturing. With our partners we support the development of standardised practitioner and patient education, compassionate access and industry advisory, as the pre-eminent leader of the medicinal cannabis sector.