



## Announcement Summary

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**Entity name**

CRESO PHARMA LIMITED

**Announcement Type**

New announcement

**Date of this announcement**

Friday August 28, 2020

**The Proposed issue is:**

A placement or other type of issue

**Total number of +securities proposed to be issued for a placement or other type of issue**

<b>ASX +security code</b>	<b>+Security description</b>	<b>Maximum Number of +securities to be issued</b>
CPH	ORDINARY FULLY PAID	176,480,459

**Proposed +issue date**

Friday October 2, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

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**1.1 Name of +Entity**

CRESO PHARMA LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

**1.2 Registered Number Type**

ABN

**Registration Number**

89609406911

**1.3 ASX issuer code**

CPH

**1.4 The announcement is**

New announcement

**1.5 Date of this announcement**

Friday August 28, 2020

**1.6 The Proposed issue is:**

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

**7A.1 - Are any of the following approvals required for the placement or other type of issue?**

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Friday October 2, 2020	<input checked="" type="checkbox"/> Actual	No

**Comments**

For further information on the proposed issue of securities pursuant to this Appendix 3B, refer to Resolution 3, Resolution 4, Resolution 8 and Resolution 9 of the Notice of General Meeting released to ASX on 27 August 2020.

Part 7B - Issue details

**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

No

Details of +securities proposed to be issued

**ASX +security code and description**

CPH : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

833,333

**Offer price details**



**Are the +securities proposed to be issued being issued for a cash consideration?**

Yes

**In what currency is the cash consideration being paid?**

AUD - Australian Dollar

**What is the issue price per +security?**

AUD 0.06000

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

Yes

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Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

No

Details of +securities proposed to be issued

**ASX +security code and description**

CPH : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

172,413,793

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**

Yes

**In what currency is the cash consideration being paid?**

AUD - Australian Dollar

**What is the issue price per +security?**

AUD 0.02900

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

Yes

**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

No

Details of +securities proposed to be issued

**ASX +security code and description**

CPH : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

2,400,000

**Offer price details**



**Are the +securities proposed to be issued being issued for a cash consideration?**

No

**Please describe the consideration being provided for the +securities**

Subject to shareholder approval, the Company has agreed to issue 2,400,000 Shares to L1 Capital Global Opportunities Master Funds for nil cash consideration, under a variation to the New L1 Convertible Securities Agreement. For further information, refer to Resolution 9 of the Notice of meeting released to ASX on 27 August 2020.

**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

Yes

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#### Part 7C - Timetable

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**7C.1 Proposed +issue date**

Friday October 2, 2020

#### Part 7D - Listing Rule requirements

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**7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?**

Yes

**7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1**

Friday October 2, 2020

**7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?**

Yes

**7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?**

No

**7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?**

No

#### Part 7E - Fees and expenses

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**7E.1 Will there be a lead manager or broker to the proposed issue?**

Yes

**7E.1a Who is the lead manager/broker?**

EverBlu Capital Pty Ltd ("EverBlu Capital") acted as lead manager to the Placement in relation to Resolution 3 and Resolution 4 under the Notice of General Meeting released on 27 August 2020.

**7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?**

EverBlu Capital was entitled to a cash fee of up to 6% (plus GST) on the gross amount raised under the Placement. Subject to shareholder approval to be obtained at a future general meeting, EverBlu Capital will also receive 3 Shares for every \$4 raised under the Placement.

**7E.2 Is the proposed issue to be underwritten?**

No

**7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue**

Part 7F - Further Information

**7F.01 The purpose(s) for which the entity is issuing the securities**

Funds raised from the issue of Shares will be used to provide additional working capital to the business and repayment of debt and creditors. For further details, refer to the Notice of General Meeting released on 27 August 2020.

**7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?**

No

**7F.2 Any other information the entity wishes to provide about the proposed issue**

Pursuant to Resolution 8 of the Notice of General Meeting released on 27 August 2020, the quantum of future placement shares to be issued is based on a maximum amount to be raised of \$5,000,000, at an issue price which will be not less than 75% of the 5-day VWAP prior to the date of issue. Accordingly, the amount of 172,413,793 Shares set out in this Appendix 3B is indicative only and is based on an indicative issue price of \$0.029, which is 75% of the 5-day VWAP of CPH Shares prior to the date of this Appendix 3B.