



17 May 2021

## **Creso Pharma's wholly-owned Canadian subsidiary Mernova awarded Craft Designation by the Ontario Cannabis Store**

### **Highlights:**

- **Mernova becomes one of a select group of licensed producers to be awarded Craft Designation by the Ontario Cannabis Store (OCS) for its *Ritual Green* cannabis products**
- **The OCS is a crown agency in Ontario and the province's only retailer and wholesaler of legal cannabis products**
- **Craft Designation is for a select few craft cannabis products which meet the criteria to qualify, and are available for Ontario consumers – broadens market visibility for Mernova**
- **Ontario is one of Canada's largest recreational cannabis markets**
- **Product sales remain strong across Canada highlighting growing consumer demand**
- **New product launches, including entry into hash market pending**

**Creso Pharma Limited (ASX: CPH, FRA:1X8) ('Creso Pharma' or 'the Company')** is pleased to advise that its wholly-owned Canadian subsidiary, Mernova Medicinal Inc. ("Mernova") has become one of a select group of cannabis producers to be awarded Craft Designation by the Ontario Cannabis Store ("OCS").

The OCS is a crown agency solely owned by the Province of Ontario. It reports directly to the Ministry of Finance and is the province's only retailer and wholesaler of legal recreational cannabis.

The OCS has created a specific category for craft cannabis products available to consumers in Ontario ([bit.ly/3buo1ec](https://bit.ly/3buo1ec)). To qualify, dried-flower and pre-roll products must be hand-trimmed, hang-dried, and hand-packaged ([bit.ly/3eNShCH](https://bit.ly/3eNShCH)).

This designation is an important achievement for Mernova and will provide the Company with much broader visibility in a competitive market. This special designation also highlights the superior quality of Mernova's products.

The Company continues to achieve strong sales growth across Ontario (refer ASX announcement: 8 April 2021). Currently, Mernova's HPG13, Lemon Haze, and Clementine Punch strains are sold out across multiple dispensaries in the province.

Ontario represents a large addressable market for Creso Pharma. The province is one of the largest recreational cannabis markets in Canada and Mernova expects ongoing growth through the region.

Ritual Green products are currently available to over 600 stores in Ontario, and available to the public directly through the OCS online sales platform (<https://ocs.ca/>). Management are continuing to monitor potential patterns and shifts in the distribution of cannabis in Ontario, and are ready to adjust as necessary.



**Mernova's Managing Director, Jack Yu said:** *"Our focus has always been on quality over all else and being awarded OCS Craft Designation is a direct result of this strategy. To be one of the only companies to be awarded OCS Craft Designation in Ontario is major validation of the hard work and effort put in by our operations team, and the resulting artisanal quality of our products. We do things the right way, combining science and artisanal methods to produce some of the finest cannabis available. We don't compromise on quality, and we're becoming recognized within the industry because of it. We are confident that this new category will help further differentiate us from the competition, enhance our brand, and provide increased brand exposure and brand awareness, which should result in much broader visibility within the market."*

*"We are continuing to witness strong sales growth across all provinces, which is a testament to the quality of our products. We will continue to work with dispensaries and distributors on a province-by-province basis, in a push to maximise sales."*

**-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)



### **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.