



ASX Announcement | 1 August 2019

Creso receives first orders from Burleigh Heads Cannabis Limited for leading medicinal cannabis product cannaQIX® 50

Investment Highlights

- Creso Pharma confirms receipt of first orders for its innovative therapeutic product cannaQIX® 50
- The orders follow the recent signing of an Exclusive Distribution agreement with Burleigh Heads Cannabis and securing of an import permit for Australia
- cannaQIX® 50 will be sold in Australia as a medicinal cannabis product under the brand name 'LozaCann' via Burleighs Heads Cannabis' extensive distribution network
- Creso and Burleigh Heads Cannabis have agreed to explore the introduction of additional therapeutic/medicinal products from Creso's pipeline of new products

Thursday, 1 August 2019 - Creso Pharma Limited (ASX:CPH, FRA:1X8) ("Creso Pharma" or "the Company") has received orders for its flagship medicinal cannabis product cannaQIX® 50 from Burleigh Heads Cannabis ('BHC'), one of Australia's foremost medicinal cannabis distribution companies.

The orders follow the recent signing of an Exclusive Distribution agreement with Burleigh Heads Cannabis and securing of an import permit for Australia [ASX Announcement: April 30 2019]. Creso Pharma and BHC will initially focus on Creso Pharma's flag-ship medicinal cannabis product, cannaQIX® 50, to be sold in Australia as a therapeutic product via approved channels as 'LozaCann', with a view to expanding the collaboration to include additional therapeutic/medicinal products from Creso Pharma's pipeline.

BHC is a subsidiary of CDA Health Pty Ltd ('CDA'), an established Australian business supporting patient access to medical cannabis products in Australia through its affordable CDA branded products and CDA Clinics which assist doctors and patients navigate the process of applying, prescribing and sourcing medical cannabis legally and provide educational resources and one-to-one service from their consultant doctors through physical and telehealth clinics.

Creso Pharma intends to leverage BHC's and CDA's local regulatory experience and established distribution networks to facilitate patient access to its products in Australia.



Dr Miri Halperin Wernli, Creso Pharma's CEO and co-founder said: "We are happy to announce the first orders for cannaQIX® 50 in Australia. Burleigh Heads Cannabis and CDA Clinics Australia continue to rapidly expand their patient reach with their extensive distribution network. This will provide a much-needed opportunity for patients to access our innovative products, and we are optimistic that this experience will support continued expansion to additional global markets in association with PharmaCielo Ltd. as previously announced"

Mr Guy Headley, Director of Operations for Burleigh Heads Cannabis said: "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."

About cannaQIX® 50 in medicinal cannabis

cannaQIX 50® is Creso Pharma'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.

Images of LozaCann brand cannaQIX 50® product packaging





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.

Ends.

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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 Burleigh Heads Cannabis and Cannabis Doctors Australia (CDA) Clinics

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 has in excess of 1,300 unique patients, 2,000+ SAS B patient approvals and met over 2,500 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. To learn more, please visit: www.burleighheadscannabis.com

About Domaco, Dr. med Aufdermaur AG

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.