



Announcement Summary

Entity name

CRESO PHARMA LIMITED

Announcement Type

New announcement

Date of this announcement

Tuesday February 11, 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

ASX +Security Code	+Security Description	Maximum Number of +securities to be issued
n/a	CPHAR	2,128,387
n/a	CPHAS	6,847,725
n/a	CPHCON1	3,661,112
n/a	CPHCON2	575,000

Proposed +issue date

Wednesday February 12, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

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

Tuesday February 11, 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

No

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)?

New class

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

No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +Security Code

New class-code to be confirmed

+Security Description

CPHAR

+Security Type

Options

Maximum Number of +securities proposed to be issued

2,128,387

**Purpose of the issue**

The CPHOPT20 Options (\$0.35, 3 years from date of issue) will be issued to EverBlu Capital (or its nominee) in part consideration for services in relation to the Tranche 1 & Tranche 2 Convertible Note Facilities and the Placement. The CPHOPT20 Options will be issued for nil cash consideration, with a deemed value of \$0.067 per Option based on a Black Scholes valuation as at 10/02/2020.

For further information, refer to the Notice of Meeting dated 17/12/2019 and the Prospectus dated 7/02/2020.

Offer price details for retail security holders

In what currency is the cash consideration being paid?	What is the issue price per +security?
AUD - Australian Dollar	AUD 0.06700

Will all the +securities issued in this class rank equally in all respects from their issue date? Yes**Oversubscription & Scale back details****May a scale back be applied to this event?** No

Options details

+Security Currency	Exercise Price	Expiry date
AUD - Australian Dollar	AUD 0.3500	Sunday February 12, 2023

Details of the existing class of +security that will be issued upon exercise or conversion of this new class of company option

CPH : ORDINARY FULLY PAID

Please provide any further information relating to the principal terms of the +securities

CPHOPT20 Options are a new class of unlisted options, each with an exercise price of \$0.35 and an expiry date which is three years from the date of issue.

Full terms and conditions are set out in Schedule 4 of the Notice of Meeting dated 17 December 2019 and Section 7.5 of the Prospectus dated 7 February 2020.

The issue price quoted on this Appendix 3B is a deemed issue price based on a Black Scholes valuation of the options as at 10 February 2020.

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)?

 New class

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

 No



Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +Security Code

New class-code to be confirmed

+Security Description

CPHAS

+Security Type

Options

Maximum Number of +securities proposed to be issued

6,847,725

Purpose of the issue

The CPHOPT21 Options (\$0.40, 3 years from date of issue) will be issued to Tranche 1 & Tranche 2 Investors for nil cash consideration, in part consideration for their subscription to Debt Notes.

The CPHOPT21 Options will be issued for nil cash consideration, with a deemed value of \$0.063 per Option based on a Black Scholes valuation as at 10 February 2020.

For further information, refer to the Notice of Meeting dated 17 December 2019 and Prospectus dated 7 February 2020.

Offer price details for retail security holders

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.06300

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Oversubscription & Scale back details

May a scale back be applied to this event?

No

Options details

+Security Currency

AUD - Australian Dollar

Exercise Price

AUD 0.4000

Expiry date

Sunday February 12, 2023

**Details of the existing class of +security that will be issued upon exercise or conversion of this new class of company option**

CPH : ORDINARY FULLY PAID

Please provide any further information relating to the principal terms of the +securities

CPHOPT21 Options are a new class of unlisted options, each with an exercise price of \$0.40 and an expiry date which is 3 years from date of issue.

Full terms and conditions are set out in Schedule 1 of the Notice of Meeting dated 17 December 2019 and Section 7.4 of the Prospectus dated 7 February 2020.

The issue price quoted on this Appendix 3B is a deemed issue price based on a Black Scholes valuation of the options as at 10 February 2020.

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)?

New class

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

No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +Security Code

New class-code to be confirmed

+Security Description

CPHCON1

+Security Type

Convertible Debt Securities

Maximum Number of +securities proposed to be issued

3,661,112

Purpose of the issue

3,611,112 Tranche 1 Convertible Notes to be issued for nil cash consideration in replacement of 3,611,112 Debt Notes.

For the purposes of this Appendix 3B, the deemed issue price for each Convertible Note is based on the face value of each Debt Note that was exchanged, being \$1.

For further information, refer to the Prospectus dated 7 February 2020 as supplemented by the supplementary prospectus dated 10 February 2020.

**Offer price details for retail security holders****In what currency is the cash consideration being paid?**

AUD - Australian Dollar

What is the issue price per +security?

AUD 1.00000

Will all the +securities issued in this class rank equally in all respects from their issue date? Yes**Oversubscription & Scale back details****May a scale back be applied to this event?** No

Convertible Debt +Securities details

These securities are:

Convertible

Type of security

Convertible Bond

+Security Currency

AUD - Australian Dollar

Face Value

AUD 1.0000

Interest Rate Type

Fixed rate

Frequency of Coupon/Interest Payments Per Year

Semi Annual

First Payment Date

Monday May 25, 2020

Interest Rate (p.a.)

4.00000 %

Is Interest Rate (p.a) estimated at this time? No**s128F of the Income Tax Assessment Act status applicable to the security**

Not applicable

Is the security Perpetual (ie. No maturity)? No**Maturity Date**

Friday November 27, 2020

Is the Security Subordinated? No**Is the Security Secured?** Yes**Select other features applicable to the security** Redeemable



Is a First Trigger Date on which conversion, redemption, call or put can occur (whichever is first) applicable?

Yes

If Yes, then provide First Trigger Date

Wednesday February 12, 2020

Details of the existing class of +security that will be issued upon exercise or conversion of this new class of +security

CPH : ORDINARY FULLY PAID

Please provide any further information relating to the principal terms of the +securities

Refer to the Prospectus dated 7 February 2020 as supplemented by the supplementary prospectus dated 10 February 2020.

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)?

New class

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

No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +Security Code

New class-code to be confirmed

+Security Description

CPHCON2

+Security Type

Convertible Debt Securities

Maximum Number of +securities proposed to be issued

575,000

Purpose of the issue

575,000 Tranche 2 Convertible Notes to be issued for nil cash consideration in replacement of 575,000 Debt Notes.

For the purposes of this Appendix 3B, the deemed issue price for each Convertible Note is based on the face value of each Debt Note that was exchanged, being \$1.

For further information, refer to the Prospectus dated 7 February 2020 as supplemented by the supplementary prospectus dated 10 February 2020.

Offer price details for retail security holders



In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 1.00000

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Oversubscription & Scale back details

May a scale back be applied to this event?

No

Convertible Debt +Securities details

These securities are:

Convertible

Type of security

Convertible Bond

+Security Currency

AUD - Australian Dollar

Face Value

AUD 1.0000

Interest Rate Type

Fixed rate

Frequency of Coupon/Interest Payments Per Year

Semi Annual

First Payment Date

Monday May 25, 2020

Interest Rate (p.a.)

4.00000 %

Is Interest Rate (p.a) estimated at this time?

No

s128F of the Income Tax Assessment Act status applicable to the security

Not applicable

Is the security Perpetual (ie. No maturity)?

No

Maturity Date

Thursday December 31, 2020

Is the Security Subordinated?

No

Is the Security Secured?

Yes

Select other features applicable to the security

Redeemable



Is a First Trigger Date on which conversion, redemption, call or put can occur (whichever is first) applicable?
 Yes

If Yes, then provide First Trigger Date

Wednesday February 12, 2020

Details of the existing class of +security that will be issued upon exercise or conversion of this new class of +security

CPH : ORDINARY FULLY PAID

Please provide any further information relating to the principal terms of the +securities

Refer to the Prospectus dated 7 February 2020 as supplemented by the supplementary prospectus dated 10 February 2020.

Part 7C - Timetable

7C.1 Proposed +issue date

Wednesday February 12, 2020

Part 7D - Listing Rule requirements

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

Yes

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

Tuesday January 28, 2020

7D.2 Is a party referred to in listing rule 10.11.1 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

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

No



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

Although there is no lead manager for these issues, EverBlu Capital acted as lead manager to the Tranche 1 Convertible Note Facility, Tranche 2 Convertible Note Facility and the Placement.

For further information regarding fees, please refer to the ASX announcement dated 2 December 2019 and the Prospectus dated 7 February 2020.

Part 7F - Further Information

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

N/A