



Announcement Summary

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**Entity name**

CRESO PHARMA LIMITED

**Announcement Type**

New announcement

**Date of this announcement**

27/1/2023

**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>
New class-code to be confirmed	Secured Convertible Notes	19
New class-code to be confirmed	Investor Options	19,000,000
New class-code to be confirmed	Broker Options	74,125,134

**Proposed +issue date**

15/3/2023

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.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

**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**

27/1/2023

**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 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?** Yes

## 7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	15/3/2023	<input checked="" type="checkbox"/> Estimated	No

**Comments**

The Company intends to seek shareholder approval for the following potential issues: potential conversion of the proposed 19 secured convertible notes into an estimated 36,674,292 shares and 9,168,573 Conversion Options, the issue of 19,000,000 Investor Options and 74,125,134 broker options.

## 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**

Secured Convertible Notes

**+Security type**

+Convertible debt securities

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

19

**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**

The securities are being issued to restructure debt in accordance with the Converting Loan Agreement. Refer to ASX Release dated 27 January 2023 for further details.

**Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities****Will all the +securities issued in this class rank equally in all respects from their issue date?** Yes**+Convertible debt securities details****These securities are:**

Convertible

**Type of security**

Convertible note or bond

**+Security currency**

USD - US Dollar

**Face value**

USD 67,500.0000

**Interest rate type**

Fixed rate

**Frequency of coupon/interest payments per year**

Quarterly

**First interest payment date**

31/3/2023

**Interest rate per annum**

30.00000 %

**Is the interest rate per annum estimated at this time?** No**s128F of the Income Tax Assessment Act status applicable to the +security**

s128F exemption status unknown

**Is the +security perpetual (ie. no**

**maturity date)?** No**Maturity date**

27/7/2023

**Select other features applicable to the +security** Secured**Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?** No**Details of the type of +security that will be issued if the securities are converted, transformed or exchanged**

CPH : ORDINARY FULLY PAID

**Number of +securities that will be issued if the +securities are converted, transformed or exchanged (including, if applicable, any interest)**

To be calculated as face value (US\$67,500) converted to AUD, divided by A\$0.05. Plus 1 Conversion Option for every 4 shares issued. Estimated 36,674,292 shares (FX rate \$0.6994) &amp; 9,168,573 options

**Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.**

Refer to the ASX releases dated 27 January 2023

**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?** Yes**ASX +security code**

New class-code to be confirmed

**+Security description**

Investor Options

**+Security type**

Options

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

19,000,000



### 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

Issue of 1 million investor options for each US\$67,500 invested

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

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

Yes

### Options details

+Security currency	Exercise price	Expiry date
AUD - Australian Dollar	AUD 0.0800	15/3/2027

Details of the type of +security that will be issued if the option is exercised

CPH : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

One fully paid ordinary share

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Refer to the ASX release dated 27 January 2023

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?**  
 Yes

**ASX +security code**

New class-code to be confirmed

**+Security description**

Broker Options

**+Security type**

Options

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

74,125,134

**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, 74,125,134 Options to be issued to EverBlu as fees in connection with the La Plata debt restructuring.

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

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

Yes

Options details

**+Security currency**

AUD - Australian Dollar

**Exercise price**

AUD 0.0800

**Expiry date**

15/3/2027

**Details of the type of +security that will be issued if the option is exercised**

CPH : ORDINARY FULLY PAID

**Number of securities that will be issued if the option is exercised**

One fully paid ordinary share

**Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.**

Refer to the ASX release dated 27 January 2023



Part 7C - Timetable

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

15/3/2023

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**

15/3/2023

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

No

**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

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

Subject to shareholder approval, 74,125,134 Options to be issued to EverBlu as fees in connection with the La Plata debt restructuring.

**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**

74,125,134 Options to be issued to EverBlu. Refer to ASX Release dated 27 January 2023





Part 7F - Further Information

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

Refer to ASX Announcement dated 27 January 2023

**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**

The Investor Options, the Conversion Options and Broker Options shall have the same terms and conditions as the options announced on 4 August 2022. Refer to the announcement titled 'Capital Raising & Q2 22 Quarterly Activities Report Updates'

**7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:**

The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)