



ASX Announcement

14 April 2020

## **L1 Capital Collateral Purchase Notice & Top-Up Notice**

**Creso Pharma Limited (ASX:CPH)** (**'Creso Pharma'** or **'the Company'**) advises that it has received a Collateral Purchase Notice and a Top-Up Notice (together, the **'Notices'**) from L1 Capital Global Opportunities Master Fund (**'L1 Capital'**). The Notices were issued in accordance with the terms of the new convertible securities agreement between Creso Pharma and L1 Capital, as announced on 5 February 2020 (**'New L1 Convertible Securities Agreement'**).

In accordance with the Notices and the terms of the New L1 Convertible Securities Agreement:

- a) the number of Tranche 1 Convertible Notes held by the CS Third Nominees Pty Limited <HSBC Cust Nom AU Ltd 13 A/C> (the nominee of L1 Capital) (**'Nominee'**) has been reduced from 1,666,667 Tranche 1 Convertible Notes to Tranche 1 Convertible 1,319,747 Notes (through L1 Capital's election to purchase a reduction in the number of collateral shares held by it in consideration for reducing the outstanding amount of Tranche 1 Convertible Notes); and
- b) the Company has agreed to issue 10,812,526 fully paid ordinary shares as "Additional Collateral Shares" to the Nominee in order to top up L1 Capital's outstanding balance of collateral shares (following the reduction of the number of collateral shares held by L1 Capital's as a result of (a)).

Under the terms of the New L1 Convertible Securities Agreement, the Additional Collateral Shares are required to be issued on or before 5 May 2020 in conjunction with a cleansing prospectus to remove any on-sale restrictions that may affect the Additional Collateral Shares.

The Additional Collateral Shares will be issued pursuant to the Company's Listing Rule 7.1 placement capacity which was allocated for the purpose of issuing up to 11,000,000 additional collateral shares on 5 February 2020. Further details are set out in the ASX announcement and the Appendix 3B released on 5 February 2020.

**Ends**



**Authority and Contact Details**

This announcement has been authorised for release by the Board of Creso Pharma Limited.

For further information, please contact:

**Investor Enquiries**

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