

CRONOS

A U S T R A L I A

BATHING SHED PROGRESS UPDATE LAUNCH OF ADDITIONAL PRODUCTS IN KEY ASIAN MARKETS

Melbourne, Australia, 3 June 2021 – Cronos Australia Limited (ASX:CAU, “Cronos Australia” or the “Company”) is pleased to confirm the launch of two new products in its Bathing Shed range of personal care products that was launched in late 2020. The two products are a refreshing gel cleanser called **Clean Hands No. 1** and a gel moisturiser called **Soft Hands No. 1**. The products will be sold in key Asian markets, including Japan and Hong Kong, and in Australia.



Bathing Shed's **Clean Hands No. 1** has a refreshingly simple formulation. This cleanser gently exfoliates the skin, using an effective surfactant that thoroughly cleanses the skin, balanced with fresh, cold-pressed Tasmanian Hemp Seed Oil.

The product contains Australian sea salt which has the ability to detoxify, heal, cleanse, gently exfoliate and lock in moisture all at once.

The 300mL bottle has an RRP of **AUD \$25.00**.

Clean Hands No. 1 is used together with its partner product, **Soft Hands No. 1**, a lightweight gel moisturiser formulated for rapid absorption and lasting beneficial effects.

Soft Hands No. 1 has a softening gel base and essential oil blend, with Tasmanian hemp seed oil that hydrates the skin and may have anti-inflammatory and antioxidant effects.

Soft Hands No. 1 is free of parabens and phenoxyethanols and contains Ag+ (silver ion) water. Ag+ keeps the skin clean and may improve its antibacterial and antiviral properties. Silver is known for its curative properties, for fighting infections and preventing food spoilage. Ag+ attacks a broad range of targets in bacteria and viruses, but the level of Ag+ used in Soft Hands No. 1 is completely safe for human use.

The 300mL bottle has an RRP of **AUD \$30.00**.

Both products have a refreshing and uplifting scent from a special blend of pure Australian essential oils:

- **Eucalyptus:** can assist with respiration, reduce depression and promote energy
- **Geranium:** often suggested by aromatherapists to encourage intuition and creativity
- **Lavender:** can promote relaxation and balance instinctive feelings
- **Peppermint:** can promote energy and vitality, improve concentration and may give inspiration



Clean Hands No. 1 and Soft Hands No. 1 are proudly made in Japan with Australian ingredients. Both products are free from parabens, mineral oils, palm oil, silicone, sulphates, synthetic fragrances and synthetic colours. They are also vegan friendly and are not tested on animals.

Cronos Australia believes that the total value of retail sales for products in the skin and body care segments of the Company's three initial target markets, being Japan, Hong Kong and Australia, were in excess of USD \$23 billion in 2018 (*source: national statistics agencies, export.gov, Statista*).

"We are pleased to be expanding our Bathing Shed range with these two new products that will complement our Fresh Start soap and broaden the appeal of the brand in the key markets we are targeting", said Nick Mulcahy, Director of Asia for Cronos Australia.

Clean Hands No. 1 and Soft Hands No. 1 will be available at www.bathingshed.com from the beginning of July 2021 and from selected retailers.

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About Bathing Shed

Inspired by tradition, botanical science and contemporary design, Bathing Shed aims to make you feel as relaxed and carefree as a beachside escape from the city. Combining Cronos Australia's innovation, the highest quality Australian ingredients and globally compliant Japanese manufacturing, its product range includes skin, body and personal care products enriched with fresh, cold-pressed Tasmanian hemp seed oil. Bathing Shed is carbon neutral and donates a share of its revenues to Clean Up Australia for beach clean ups.

A taste of life on the Melbourne Bay, no matter where you live.

About Cronos Australia

Cronos Australia Limited is listed on the ASX (ASX:CAU). The vision of Cronos Australia is to become a leading health and wellness company in the Asia Pacific region through the creation and distribution of premium medical and consumer cannabinoid products and services. The Company's largest shareholder is Cronos Group Inc. (NASDAQ:CRON; TSX:CRON).

- Cronos Australia distributes the Adaya and PEACE NATURALS™ ranges of medicinal cannabis products nationwide in Australia through medical practitioners via the Special Access Scheme and Authorised Prescribers. See www.adaya.co
- Cronos Australia owns 75.5% of Cannadoc Health Pty Ltd, a medicinal cannabis clinic business that undertakes face-to-face and nationwide telehealth consultations with patients seeking access to medicinal cannabis. See www.cannadoc.com.au and www.cannadoc.co.nz
- Cronos Australia has established operations in Hong Kong and Japan for the development of ranges of cannabinoid brands and products and their distribution into global consumer markets. The first two ranges of products are Bathing Shed, see www.bathingshed.com, and FCTR, see www.getfctr.com
- Cronos Australia has a 50/50 joint venture with A&S Branding, the founders of Sukin Organic Skincare, for the development of CBD products for sale in domestic and export markets.

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Forward-looking statements

This announcement may include forward-looking statements. These forward-looking statements are based on Cronos Australia's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Cronos Australia, which could cause actual results to differ materially from such statements. Cronos Australia makes no undertaking to update or revise the forward-looking statements made in this announcement to reflect any change in circumstances or events after the date of this announcement.