

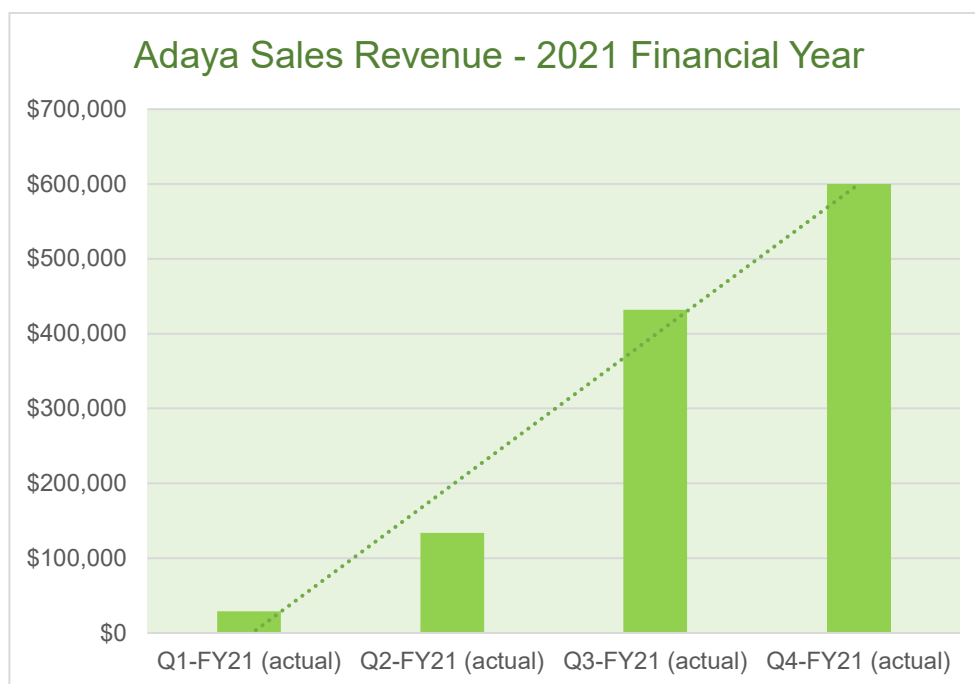
ANNUAL SALES REVIEW REVEALS 208% QUARTER-ON-QUARTER REVENUE GROWTH FOR ADAYA PRODUCTS AND LAUNCH OF ADAYA THC30 AND ADAYA THC19 MEDICINAL CANNABIS WHOLE FLOWER PRODUCTS

- Average quarter-on-quarter revenue growth of 208% for 12 months since launch
- Sales of Adaya medicinal cannabis products approach \$600,000 in June quarter
- Launch of Australian-grown Adaya THC30 and Adaya THC19 Medicinal Cannabis Whole Flower Products
- Australian-grown and processed to Australian GMP standards
- Adaya range now includes seven products, with planned further expansion
- Product has been developed based on feedback from patients and healthcare professionals

Melbourne, Australia, 12 July 2021 – Cronos Australia Limited (ASX:CAU, “Cronos Australia” or the “Company”) is pleased to confirm sales figures for its Adaya range of medicinal cannabis products for its first full year, and to announce the launch of its Australian-grown Adaya THC30 and THC19 whole flower products. Adaya THC30 and THC19 are part of the Adaya branded range of medicinal cannabis products, which now comprises seven products in total. Each jar of Adaya THC30 includes 10 grams of whole flower containing 3,000 mg of THC, with the 10 gram jar of THC19 containing 1,900 mg of THC (with actual THC content within TGA tolerances).

Adaya sales review - FY2021

The Adaya range was launched on 1 July 2020 and, since that time, it has resonated positively with both patients and healthcare professionals, resulting in an average quarter-on-quarter increase in sales revenue of 208%, with sales in Q4 FY2021 of almost \$600,000 and nearly \$1.2 million for the full 2021 financial year.



Launch of new whole flower products

To complement the five existing products in the Adaya range, the new Adaya THC30 and Adaya THC19 whole flower products, like all Adaya products, have been specifically developed based on feedback from Australian patients and healthcare professionals, with the products being:

- Australian-grown and processed
- Manufactured to Australian GMP standards
- Value priced, underpinning patient accessibility and affordability
- Widely available through distributors and pharmacies nationwide to ensure no stock outs, which would negatively impact patients

The Adaya THC30 whole flower product is one of the highest strength THC products currently available on the Australian medicinal cannabis market. Both products are only available by a doctor's prescription via the TGA's Special Access Scheme or from an Authorised Prescriber.

Each of Adaya THC30 and Adaya THC19 medicinal cannabis products directly address a large and growing healthcare professional and patient segment demanding Australian-grown, THC-dominant whole flower products.

The expanded Adaya range now comprises the following seven products:

- Adaya THC30 – THC-dominant Medicinal Cannabis Whole Flower
- Adaya THC19 – THC-dominant Medicinal Cannabis Whole Flower
- Adaya 1:25 – CBD-dominant Medicinal Cannabis Oil
- Adaya CBD 100 – CBD-only Medicinal Cannabis Oil
- Adaya 10:10 – THC:CBD-balanced Medicinal Cannabis Oil
- Adaya 20:1 – THC-dominant Medicinal Cannabis Oil
- Adaya THC 26 – THC-only Medicinal Cannabis Oil

Furthermore, Cronos Australia also intends to launch additional Adaya products in the coming months.

"We are encouraged by our Adaya sales results during our first year since launching the brand. We have listened to patients and healthcare professionals about their needs and are proud to be launching our first THC-dominant whole flower products with Australian-grown Adaya THC30 and Adaya THC19 to expand the range and address rapidly growing demand. The solid 208% average quarter-on-quarter growth in sales of our Adaya range of products is validation of our strategy to ensure Australian patients can access Australian GMP manufactured, and affordable medicinal cannabis products," said CEO of Cronos Australia, Rodney Cocks.

**** ENDS ****

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 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 current three ranges of products are Bathing Shed, see www.bathingshed.com, FCTR, see www.getfctr.com and Saiph, see www.saiphlife.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.

Authorised by

Rodney Cocks, Chief Executive Officer and Executive Director

Contact

Cronos Australia Limited

Rodney Cocks

Chief Executive Officer & Executive Director

1300 799 491

info@cronosaustralia.com

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.