



Update Summary

Entity name

CRESO PHARMA LIMITED

Announcement Type

Update to previous announcement

Date of this announcement

Thursday January 21, 2021

Reason for update to a previous announcement

The previous Appendix 3B provided an indicative expiry date for the CPHOA Listed Options. The revised Appendix 3B confirms the actual expiry date and CPHOA Listed Option terms.

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☒ Update/amendment to previous announcement**1.4a Reason for update to a previous announcement**

The previous Appendix 3B provided an indicative expiry date for the CPHOA Listed Options. The revised Appendix 3B confirms the actual expiry date and CPHOA Listed Option terms.

1.4b Date of previous announcement(s) to this update

Wednesday October 7, 2020

1.5 Date of this announcement

Thursday January 21, 2021

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)?

☒ Existing class

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

☒ Yes

Details of +securities proposed to be issued

ASX +security code and description

CPH : ORDINARY FULLY PAID

Number of +securities proposed to be issued

274,657,414

Reason for the update of 'Maximum Number of +securities proposed to be issued'

No update was made to the number of shares.

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.02910



Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes

Attaching +Security

Is the proposed attaching 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

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +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

CPHOA Listed Options

+Security type

Options

Number of +securities proposed to be issued

68,664,354

Reason for the update of 'Maximum Number of +securities proposed to be issued'

No update was made to the number of options.

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

As approved by shareholders on 23 December 2020, 68,664,354 CPHOA Listed Options will be issued to Placement participants, on the basis of one option issued for every four shares issued under the Placement, for nil cash consideration. Refer to the ASX release titled "Creso Pharma receives commitments totaling A\$8.992m" dated 7 October 2020 for further information.

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 0.0500

Expiry date

Sunday January 22, 2023

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

Up to 68,664,354 CPHOA Listed 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.

https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02312279-6A1008468?access_token=83ff96335c2d45a094df02a206a39ff4

Part 7C - Timetable

7C.1 Proposed +issue date

Monday October 12, 2020

Part 7D - Listing Rule requirements

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

Wednesday December 23, 2020

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

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 ("EverBlu").

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

EverBlu acted as lead manager and corporate advisor for the Placement. EverBlu received a fee of 6% of the total funds raised and, as approved by shareholders on 23 December 2020, were issued one Share for every \$1 raised under the Placement and seven options for every \$1 raised, and will be issued options on the same terms as options issued to participants in the Placement. Refer to the ASX release titled "Creso Pharma receives commitments totaling A\$8.992m" dated 7 October 2020 for further information.

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

Part 7F - Further Information

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

Repayment of debt and amounts owed to secured lenders to redeem outstanding convertible notes and working capital. Refer to the ASX release titled "Creso Pharma receives commitments totaling A\$8.992m" dated 7 October 2020 for 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

274,657,414 shares pursuant to this Appendix 3B were issued on 12 October 2020. The Company intends to issue 68,664,354 Options which are the subject of this Appendix 3B on 22 January 2021.