



Update Summary

Entity name

CRESO PHARMA LIMITED

Announcement Type

Update to previous announcement

Date of this announcement

Monday May 24, 2021

Reason for update to a previous announcement

The previous Appendix 3B provided an indicative date for the 2021 AGM. The revised Appendix 3B confirms the actual date of AGM and provides an updated date of proposed issue for the 23,684,144 Placement Options and 3,600,000 Broker Shares to EverBlu Capital Pty Ltd based on the confirmed AGM date.

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 date for the 2021 AGM. The revised Appendix 3B confirms the actual date of AGM and provides an updated date of proposed issue for the 23,684,144 Placement Options and 3,600,000 Broker Shares to EverBlu Capital Pty Ltd based on the confirmed AGM date.

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

Friday March 26, 2021

1.5 Date of this announcement

Monday May 24, 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

 Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Thursday June 24, 2021	<input checked="" type="checkbox"/> Actual	No

Comments

Subject to shareholder approval, up to 23,684,144 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. Subject to shareholder approval, the Company will also issue up to 3,600,000 Shares to EverBlu Capital Pty Ltd ('EverBlu') for their appointment as lead manager to the placement. For further information, refer to the ASX release dated 26 March 2021.

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

94,736,843

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

No changes to the number of securities to be issued. These shares have been issued on 1 April 2021.



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 0.19000

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?

No

ASX +security code

New class-code to be confirmed

+Security description

Options

+Security type

Options

Number of +securities proposed to be issued

23,684,144

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

The maximum number of securities proposed to be issued was updated from 23,684,211 to 23,684,144 due to rounding.

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, up to 23,684,144 Options will be issued to Placement participants on the basis of one option for every four shares issued under the Placement, for nil cash consideration. For further information, refer to the ASX announcement released on 26 March 2021.

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 0.3800

Expiry date

Friday June 24, 2022

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 23,684,144 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/2924-02377057-6A1033892?access_token=83ff963335c2d45a094df02a206a39ff4

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?

No

Details of +securities proposed to be issued

ASX +security code and description

CPH : ORDINARY FULLY PAID

Number of +securities proposed to be issued

3,600,000



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

No changes to the number of securities to be issued.

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, the Company has agreed to issue up to 3,600,000 Shares to EverBlu Capital Pty Ltd ("EverBlu") in part consideration for EverBlu's appointment as lead manager of the Company's current Placement. For further information, refer to the ASX announcement released on 26 March 2021.

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

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

Yes

Part 7C - Timetable

7C.1 Proposed +issue date

Thursday June 24, 2021

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

Thursday June 24, 2021

7D.1c (ii) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate

The Company notes the certainty of funds and immediacy of payment associated with a placement. The shares under the placement have been issued on 1 April 2021. Subject to shareholder approval, the remaining securities being proposed to be issued pursuant to this Appendix 3B will be issued on or around 24 June 2021.

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

Yes



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") acted as lead management to the Placement.

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

EverBlu earned a 6% cash fee and one million shares per \$5 million raised under the placement, being the 3,600,000 shares the subject of this Appendix 3B.

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

N/A

Part 7F - Further Information

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

The funds raised under the placement will be deployed to undertake psychedelic clinical trials upon completion of the Halucenex transaction, advance sales of nutraceutical products globally and increase marketing of cannabis products through Canada.

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

94,736,843 shares under the Placement were issued on 1 April 2021. All of the other issues, being 23,684,144 options to placement participants and 3,600,000 shares to EverBlu will be issued subject to shareholder approval at the Company's 2021 AGM on 24 June 2021.