



29 September 2022

## **Creso Pharma's wholly-owned Canadian subsidiary, Mernova Medicinal Inc. continues to broaden footprint with major province partners**

### **Highlights:**

- **Notice of acceptance received from the Ontario Cannabis Store for three new stock keeping units (SKUs) to be stocked on the OCS General Listing Program**
- **Products will be delivered to the OCS distribution centre in coming months with purchase orders anticipated to materialise during H2 CY2022 and beyond**
- **Notice of acceptance from the OCS complements Mernova's sales through the province's retail Flow-Through channel and highlights retail demand**
- **Two additional SKUs approved to be sold in Nova Scotia through the Nova Scotia Liquor Corporation (NSLC) – highlights expansion of product range in home province**
- **Mernova was also selected in the NSLC's Hero Spot Expert Growing and Curing promotion**
- **Growth initiative provides concentrated exposure for Mernova and its product range across multiple retail outlets in the provinces**
- **C\$84,708 (A\$94,980<sup>1</sup>) recent purchase order secured from Cannabis NB, of which C\$21,300 was allocated to a new *Ritual Green* strain Grape Cream Cake**
- **Cannabis NB PO includes follow up order for the Company's *Ritual Gold* vapouriser brand**

**Creso Pharma Limited (ASX:CPH, FRA:1X8) ('Creso Pharma' or 'the Company')** is pleased to provide the following update on growth initiatives being undertaken by wholly-owned Canadian subsidiary, Mernova Medicinal Inc. ("Mernova" or "the Company").

Mernova has continued to expand its product offering through the introduction of new strains with a range of provincial partners, launched new stock keeping units (SKUs) across Canada and been selected in marketing initiatives to drive brand awareness and sales.

### **Multiple new products selected into Ontario Cannabis Store (OCS) General Listing Program:**

The Company is pleased to advise that the Ontario Cannabis Store has issued a notice of acceptance for three new Mernova products, which may result in purchase orders during H2 2022 and beyond.

New products to be ranged with the OCS include the Company's Black Mamba and Grape Cream Cake strains in pre-roll joint form sold under the *Ritual Sticks* brand and Grape Cream Cake in dried flower form sold under the *Ritual Green* brand as part of the general listing program.

Following receipt of the notice of acceptance, Mernova has commenced work to ship the new SKUs to the OCS distribution centres. This is anticipated to be completed during the current half year.

The increased range through the OCS's General Listing Program considerably broadens Mernova's exposure in the province and is anticipated to complement existing sales through the OCS Flow-Thru and general listing programs (refer ASX announcement: 21 July 2022).



Mernova will continue to work closely with OCS to further expand its range with the province and increase brand awareness.

**New SKUs approved for listing by the Nova Scotia Liquor Corporation (NSLC) and selection in promotional opportunities:**

Mernova has secured approval from the NSLC to list its Grape Cream Cake strain for sale in the province, sold under the *Ritual Green* brand. The Company will now list the product in both 1g and 3.5g dried flower formats.

Mernova has also been selected by the NSLC to be a part of the Hero Spot Expert Growing and Curing promotion, which is being run between 3 October 2022 and 13 November 2022. The initiative will focus on Mernova's bespoke approach to cannabis cultivation, as well as its state-of-the-art hang-drying, hand-trimming and curing processes.

The promotion will provide considerable exposure for the Company in 14 major stores in the province.

**Purchase order secured from Cannabis NB for new strains being sold in New Brunswick:**

Mernova has broadened its footprint in New Brunswick following the receipt of a C\$84,708 (A\$94,980<sup>i</sup>) purchase order from Cannabis NB which included 1200 units of Grape Cream Cake 3.5g dried flower product (C\$21,300). This marks the first order for the strain from the province partner and reiterates the demand Mernova continues to witness for its new and existing *Ritual Green* strains.

Cannabis NB ordered Mernova's Lemon Haze vaporiser products valued C\$26,400 (A\$29,601<sup>i</sup>) in July 2022, which is being sold and marketed under the *Ritual Gold* brand. A follow up order was made a few weeks later for C\$13,200 (A\$14,800<sup>i</sup>) for this product from Cannabis NB and highlights the Company's growing footprint in the region for cannabis extracts.

**Management commentary:**

**CEO and Managing Director, Mr William Lay said:** *"Mernova has continued to make very strong progress across Canada, highlighted through the amount of in-bound inquiries from existing provincial partners that are seeking to expand their stock of our artisanal cannabis selections.*

*"The Company continues to generate strong interest in Ontario, which is a major market and New Brunswick, highlighted by recent efforts. As well, the introduction of new products in our home province of Nova Scotia and selection in marketing and promotional activities is expected to underpin potential sales growth.*

*"Management is in active discussions with other provincial partners and continuing to pursue additional opportunities to drive sales and reduce capital expenditure."*

**-Ends-**

**Authority and Contact Details**

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



For further information, please contact:

**Investor Enquiries**

Creso Pharma Limited  
E: [info@cresopharma.com](mailto:info@cresopharma.com)  
P: +61 (0) 497 571 532

**About Creso Pharma**

Creso Pharma Limited (ASX:CPH) brings the best of cannabis to better the lives of people and animals. It brings pharmaceutical expertise and methodological rigor to the cannabis world and strives for the highest quality in its products. It develops cannabis and hemp derived therapeutic, nutraceutical, and lifestyle products with wide patient and consumer reach for human and animal health.

Creso Pharma uses GMP (Good Manufacturing Practice) development and manufacturing standards for its products as a reference of quality excellence with initial product registrations in Switzerland. It has worldwide rights for a number of unique and proprietary innovative delivery technologies which enhance the bioavailability and absorption of cannabinoids. To learn more please visit: [www.cresopharma.com](http://www.cresopharma.com)

**Creso Pharma offices:**

**Australia**

Suite 5 CPC, 145 Stirling Hwy, Nedlands, WA, 6009

**Switzerland**

Allmendstrasse 11, 6312 Steinhausen, Schweiz

**Canada**

59 Payzant Drive, Windsor, Nova Scotia, B0N 2T0 and 50 Ivey Ln, Windsor, Nova Scotia, B0N 2T0

**Forward Looking statements**

This announcement contains forward-looking statements with respect to Creso and its respective operations, strategy, investments, financial performance, and condition. These statements generally can be identified by use of forward-looking words such as "may", "will", "expect", "estimate", "anticipate", "intends", "believe" or "continue" or the negative thereof or similar variations. The actual results and performance of Creso could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, and government regulation.

The cautionary statements qualify all forward-looking statements attributable to Creso and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this announcement and Creso has no obligation to up-date such statements, except to the extent required by applicable laws.

---

<sup>i</sup> Based on a CAD to AUD exchange rate of \$1.12