



10 October 2022

Creso Pharma accelerates company strategy with two new Director appointments, board transition and rebranding strategy to unlock additional M&A opportunities

Highlights:

- **Australia based ex-Canopy Growth Corporation executive, Mr Ben Quirin appointed as Non-Executive Director as of 10 October 2022**
- **Sierra Sage Herbs LLC. (“SSH”) co-founder and CEO, Ms Jodi Scott appointed as Executive Director as of 10 October 2022.**
- **Board changes result in increase in independence from 17% to 29% and highlight the long term goal to achieve majority independent Board**
- **Mr Quirin has over 20 years experience of global leadership in the telecommunications, technology and pharmaceutical sectors**
- **He has launched multiple new products and led business development in new and emerging markets including Europe, the Middle East, Africa and the Asia Pacific**
- **Mr Quirin was previously Regional Managing Director for Canopy Growth Corporation in APAC, one of the world’s largest cannabis companies**
- **His appointment highlights the third Canopy Growth Corporation executive to join Creso Pharma’s Board of Directors**
- **Non-Executive Director and founder, Mr Adam Blumenthal has resigned from the board, effective 10 October 2022**
- **Ms Jodi Scott has been imperative in establishing SSH and growing sales to date**
- **Her in-country presence is expected to unlock several additional value accretive opportunities for Creso Pharma**
- **Creso Pharma is confident it has a Board and management team in place with the necessary skillset to push towards reaching a cash flow positive position at Group level**
- **Creso Pharma has grown into a burgeoning internationally focused provider of high quality, plant based products including recreational and medicinal cannabis, non-cannabis natural over-the-counter products, CBD solutions for humans and animal health, and psychedelics**
- **To capture the Group’s diversified operations, CPH intends to seek shareholder approval to change its name to “Melodiol Global Health Limited” at a future General Meeting**
- **The Company is confident that its new Board appointments, change of name and recent shift towards cannabis reclassification in the US will provide a strong foundation for future M&A opportunities and growth at a Group level**

Creso Pharma Limited (ASX:CPH, FRA:1X8) (‘Creso Pharma’ or ‘the Company’) wishes to advise that founder and Non-Executive Director Mr Adam Blumenthal has resigned from the Board of



Directors, effective 10 October 2022 and will be replaced by ex-Canopy Growth Corporation executive, Mr Ben Quirin.

Mr Blumenthal has been a Board member since 2015 and was instrumental in the Company's ASX-listing, growth trajectory and diversification until now. Creso Pharma has benefited from his considerable experience, guidance and advice and wish him well for future endeavours.

Mr Blumenthal will be replaced by Mr Ben Quirin, who will commence as a Non-Executive Director, effective from 10 October 2022.

Appointment of Ben Quirin as a Non-Executive Director:

Mr Quirin is a leading senior executive, with over 20 years experience in the telecommunications, technology and pharmaceutical sectors. He has a strong track record of launching new products and leading business development initiatives in new and emerging markets, having established products and brands in Europe, the Middle East and Africa, as well as the Asia Pacific Region. As part of this appointment, the Company has agreed to seek shareholder approval for the issue of 2,000,000 options to Ben Quirin (or his nominee) as an equity-based incentive component to his remuneration package. These options will be exercisable at \$0.04 per option (subject to vesting conditions) and expiring on 10 October 2024.

Mr Quirin has extensive expertise in the cannabis sector and previously held the position of Regional Managing Director for Canopy Growth Corporation ("Canopy Growth") for APAC. In April 2019, Canopy Growth was the world's largest cannabis company by market capitalisation, reaching a peak valuation of US\$24.95 billion.

During his time with Canopy Growth, Mr Quirin led the development and execution of the group's regional strategy in new regulated markets, progressed M&A opportunities and also engaged in ongoing Australian government negotiations to secure major project status to boost the local medicinal cannabis industry.

Following his tenure with Canopy Growth, Mr Quirin became an executive and investor of Invert Inc., which specialises in emissions reduction and offsetting for corporate clients in Australia and international markets.

Creso Pharma will leverage Mr Quirin's extensive expertise to drive product and brand growth in new and emerging markets, with particular focus on the APAC region. This will be imperative as the Company continues to push towards reaching a cash flow positive position on a group basis.

Appointment of Ms Jodi Scott as Executive Director:

As part of Creso Pharma's acquisition of Sierra Sage Herbs LLC. ("SSH") (refer ASX announcement: 28 August 2022), the Company has also appointed Ms Jodi Scott as an Executive Director.

As part of the acquisition of SSH by Creso Pharma, Ms Scott has been employed in the position of President, US operations by SSH and is responsible for all executive and management matters affecting SSH. A summary of the key terms of Ms Scott's appointment as President, US operation is set out as part of Annexure A. As noted above, Ms Jodi Scott has also been appointed as an Executive Director of Creso Pharma as of 10 October 2022. Ms Scott does not receive any additional remuneration for this role.

Ms Scott has been imperative in establishing SSH, its leading brands and growing the group's sales. Ms Scott holds an MS in Health Psychology from Texas State University and prior to founding SSH



worked in private practice of her own helping chronically ill, sufferers of traumatic brain injury, and impoverished patients.

She has also received ongoing industry recognition, with multinational professional services company Ernst & Young LLP (“EY”) announcing Ms Scott, as a finalist for the Entrepreneur Of The Year 2022 Mountain West Award.

Creso Pharma expects to benefit from Ms Scott’s established network in the US and her guidance and expertise in product development, manufacturing and the large North American market.

Proposed Change of Company Name:

The Company intends to seek shareholder approval at a future General Meeting to change its name to “Melodiol Global Health Limited” (“Melodiol”).

Should this initiative be approved by shareholders, this rebranding will assist in best capturing the essence of the diversified operations of the Group.

Melodiol is a nod to the Company’s focus on combining traditional plant-derived remedies with modern scientific expertise to bring safe, natural and efficacious products to market for a growing group of source-conscious consumers.

The Board and management’s decision to undertake a change of company name has stemmed from a number of recent acquisitions, as well as being part of a broader strategy to position the Company for further M&A opportunities in the US and other key markets.

Commentary:

Managing Director, Mr William Lay said: *“It is my pleasure to welcome Ben and Jodi to Creso Pharma’s Board. Having worked with Ben previously at Canopy Growth, I have witnessed first hand his ability to grow brands and products in new and emerging markets. We expect to benefit considerably from his appointment and anticipate having another Australian-based Director may unlock several additional opportunities.*

“Jodi’s appointment also solidifies the importance of SSH as one of the Company’s major operating divisions. Her in-country presence will be imperative to Creso Pharma’s growth in North America, which has been highlighted through recent progress and international expansion opportunities.

“I would also like to take this opportunity to thank Adam for his ongoing service to the Company. Over recent years, he has been instrumental in the development and implementation of Creso Pharma’s strategy, which has resulted in the diversification of the Company’s product suite and operating divisions internationally. The Board and management team thank him for his continued support and wish him well in his future endeavours.

“Finally, as we continue to integrate processes, products, brands, and talent across our portfolios, we intend to mark this pivotal moment with a new name that represents the global ambitions of the organisation.”

Non-Executive Director, Mr Adam Blumenthal added: *“To have secured Ben’s services is a major achievement for the Company. He has a strong track record and has already identified a number of potential opportunities for the Company.*



“Upon his and Jodi’s appointment, I am very confident that Creso Pharma has developed a Board and management team that has the necessary skillset to grow in new and existing markets, while pursuing cashflow breakeven at a group level.

“In a small number of years, Creso Pharma has grown from a small CBD-focused healthcare company, to a burgeoning internationally focused recreational cannabis producer and provider of natural over-the-counter products, CBD solutions for humans and animal health, and psychedelics. In addition, having three ex-Canopy Growth executives within the Company’s Board, being Bruce Linton, Will Lay and now Ben leaves the Company very well placed to capitalise on opportunities ahead. Having worked closely with Bruce and Will over the past three and two years, respectively, I am extremely confident in their skillset and vision. These three ex Canopy executives joining the Creso board is also a testament Creso products and brand that has been created to date.

“To have a Board of Directors in place with considerable expertise in advancing NASDAQ-listed companies to profitability fits perfectly with where the Company is today, and I feel extremely confident in their ability to take Creso into profitability.

“The proposed name change during Creso Pharma’s ongoing expansion is extremely timely given the ongoing shift towards potential cannabis decriminalisation in the US, increased level of corporate activity and international expansion. ”

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Authority and Contact Details

This announcement has been authorised for release by the Board of Directors of Creso Pharma Limited.

For further information, please contact:

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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 life style 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

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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.



Annexure A

Summary Key Terms of Employment Agreement – Jodi Scott

Services	As part of the acquisition of SSH by Creso Pharma, Ms Scott has been employed in the position of President, US operations by SSH and is responsible for all executive and management matters affecting SSH (“Employment Agreement”).
Remuneration	For this role, Ms Scott is paid a base salary of US\$250,000 per annum and is eligible to receive an annual discretionary bonus at the sole discretion of the Board of Creso Pharma.
Term	The initial term of the Employment Agreement is 3 years from the appointment of Ms Scott within this role (“Initial Term”) and will be automatically extended by two years (“First Renewal Term”) and a further two years following the First Renewal Term (“Second Renewal Term”), unless SSH provides notice of its intention not to renew within at least 90 days before the end of the Initial Term, First Renewal Term or Second Renewal Term.
Termination	The Employment Agreement may be terminated by either party without cause or for cause. Ms Scott may also terminate the Employment Agreement for a good reason, which includes the occurrence of specific events within SSH or the Company’s control (“Good Reason”). Should SSH terminates the Employment Agreement without cause or if Ms Scott terminates the Employment Agreement for a Good Reason, Ms Scott will be entitled to receive an amount equal to 3 months of her base salary.