

1 May 2023

Dear Shareholder,

Annual General Meeting – Notice and Proxy Form

Notice is hereby given that the Annual General Meeting ('Meeting') of Shareholders of Creso Pharma Limited ('Company') will be held by virtual meeting facility at 3:00pm (AEST) on Wednesday, 31 May 2023.

In accordance with section 110D of the Corporations Act 2001 (Cth) (as inserted by the Corporations Amendment (Meeting and documents) Act 2022 (Cth)), the Company will not be dispatching physical copies of the Notice of Meeting ('Notice') unless specifically requested to do so. Instead, a copy of the Notice is available on the Company's ASX Announcement Platform at www2.asx.com.au (ASX:CPH).

If you have elected to receive notices by email, a copy of your personalised proxy form will be emailed to you. If you have not elected to receive notices by email, a copy of your personalised proxy form will be posted to you, together with this letter for your convenience. **Shareholders are encouraged to elect to receive all notices by email, as this will significantly reduce printing and postage costs for the Company, and helps reduce the Company's environmental impact.** You can provide your email address via your account with the Company's share registry, Automic, which can be accessed as set out further below, or by contacting the share registry on 1300 288 664 (within Australia) (or +61 (0)2 9698 5414 (Overseas)) or by email at: hello@automicgroup.com.au.

All shareholders will be able to participate in the Meeting by:

- (a) attending and voting their Shares at the Meeting to be held virtually at 3:00pm (AEST) on 31 May 2023;
- (b) voting prior to the Meeting by lodging your proxy instructions by no later than 48 hours prior to the Meeting (by 3:00pm (AEST) on 29 May 2023) either:
 - **online at:** <https://investor.automic.com.au/#/loginsah>;
 - **by post to:** Automic, GPO Box 5193, Sydney, NSW, 2001;
 - **in person to:** Automic, Level 5, 126 Phillip Street, Sydney, NSW, 2000;
 - **by email to:** meetings@automicgroup.com.au; or
 - by any other means permitted on the proxy form; and/or
- (c) lodging questions in advance of the Meeting by emailing the questions to Erlyn Dawson, Joint Company Secretary at erlyn@azc.com.au, by no later than 24 May 2023.

If you are a shareholder, please follow the below step-by-step process to be able to access, vote and ask questions at the meeting:

1. Open your internet browser and go to investor.automic.com.au.
2. Login with your username and password or click "**register**" if you haven't already created an account. **Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting.**
3. After logging in, a banner will be displayed at the top once the meeting is open for registration, click on "**View**" when this appears.



4. Click on “**Register**” and follow the steps.
5. Click on the URL to join the virtual meeting facility where you can join and listen to the meeting.
6. Once the Chair of the Meeting has declared the poll open for voting click on “**Refresh**” to be taken to the voting screen.
7. Select your voting direction and click “**confirm**” to submit your vote. **Note that you cannot amend your vote after it has been submitted.**

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.

If you have any difficulties obtaining a copy of the Notice, or for any other relevant information please contact the Joint Company Secretary on +61 8 9389 3180 or erlyn@azc.com.au.

Authorised for release by the Board of Creso Pharma Limited.

Sincerely,

Winton Willesee
Joint Company Secretary
Creso Pharma Limited

CRESO PHARMA LIMITED
ACN 609 406 911
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 3:00pm (AEST)
DATE: 31 May 2023
PLACE: By Virtual Meeting Facility

The business of the Meeting affects your shareholding and your vote is important.

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00 pm (AEST) on 29 May 2023.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 31 December 2022 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 31 December 2022.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

A voting prohibition statement applies to this Resolution. Please see below.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – BOAZ WACHTEL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 15.2 of the Constitution, and for all other purposes, Boaz Wachtel, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

4. RESOLUTION 3 – ELECTION OF DIRECTOR – PETER HATFULL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 15.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Peter Hatfull, a Director who was appointed casually on 30 November 2022, retires, and being eligible, is elected as a Director.”

5. RESOLUTION 4 – ELECTION OF DIRECTOR – BEN QUIRIN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 15.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Ben Quirin, a Director who was appointed casually on 10 October 2022, retires, and being eligible, is elected as a Director.”

6. RESOLUTION 5 – ELECTION OF DIRECTOR – JODI SCOTT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 15.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Jodi Scott, a Director who was appointed as an additional Director on 10 October 2022, retires, and being eligible, is elected as a Director.”

7. RESOLUTION 6 – APPROVAL OF 7.1A MANDATE

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

8. RESOLUTION 7 – APPROVAL TO ISSUE SHARES TO CHRIS GRUNDY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 4,000,000 Shares to Mr Chris Grundy, on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

9. RESOLUTION 8 – APPROVAL TO ISSUE OPTIONS TO BENJAMIN QUIRIN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,000,000 Options to Mr Benjamin Quirin (or their nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

10. RESOLUTION 9 – APPROVAL TO ISSUE INVESTOR OPTIONS TO LA PLATA

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 26,407,381 Investor Options to La Plata (or its nominee/s) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

11. RESOLUTION 10 – CHANGE OF COMPANY NAME

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of section 157(1)(a) of the Corporations Act and for all other purposes, approval is given for the name of the Company to be changed to Melodiol Global Health Limited.”

12. RESOLUTION 11 – APPROVAL TO ISSUE BROKER SHARES TO EVERBLU CAPITAL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 4,000,000 Shares to EverBlu Capital (or its nominee/s) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

13. RESOLUTION 12 – APPROVAL TO ISSUE BROKER OPTIONS TO EVERBLU CAPITAL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 265,718,720 Options to EverBlu Capital (or its nominee/s) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

14. RESOLUTION 13 – ISSUE OF RESTRUCTURE FEE OPTIONS TO EVERBLU CAPITAL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 74,125,134 Options to EverBlu Capital (or their nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

15. RESOLUTION 14 – ISSUE OF LEAD MANAGER OPTIONS TO EVERBLU CAPITAL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 100,000,000 Options to EverBlu Capital (or their nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

16. RESOLUTION 15 – APPROVAL TO ISSUE SECURITIES TO WILLIAM LAY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 7,500,000 Performance Rights and 10,000,000 Options to William Lay (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

Dated: 20 April 2023

By order of the Board



Winton Willesee
Joint Company Secretary

Voting Prohibition Statements

<p>Resolution 1 – Adoption of Remuneration Report</p>	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or (b) a Closely Related Party of such a member. <p>However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or (b) the voter is the Chair and the appointment of the Chair as proxy: <ul style="list-style-type: none"> (i) does not specify the way the proxy is to vote on this Resolution; and (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
<p>Resolution 8 –Approval to Issue Options to Benjamin Quirin</p>	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
<p>Resolution 15 – Approval to Issue Securities to William Lay</p>	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution set out below by or on behalf of the following persons:

Resolution 7 – Approval to Issue Shares to Chris Grundy	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely Chris Grundy) or an associate of that person (or those persons).
Resolution 8 – Approval to Issue Options to Benjamin Quirin	Mr Benjamin Quirin (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 9 – Approval to Issue Investor Options to La Plata	A person who is expected to participate in, or who will obtain a material benefit as a result of the issue of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely La Plata) or an associate of that person (or those persons).
Resolution 11 – Approval to Issue Broker Shares to EverBlu Capital	EverBlu Capital (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 12 – Approval to Issue Broker Options to EverBlu Capital	EverBlu Capital (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 13 – Issue of Restructure Fee Options to EverBlu Capital	EverBlu Capital (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 14 – Issue of Lead Manager Options to EverBlu Capital	EverBlu Capital (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 15 – Approval to Issue Securities to William Lay	Mr William Lay (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

In accordance with the Company's Constitution, the Directors have elected to hold the Meeting virtually and therefore Shareholders will not be able to physically attend the Meeting in person.

Accordingly, the Directors strongly encourage all Shareholders to either lodge a directed proxy form prior to the Meeting or attend and vote online at the Virtual Meeting.

Voting online via Virtual Meeting

The company is pleased to provide shareholders with the opportunity to attend and participate in a virtual Meeting through an online meeting platform powered by Automic, where shareholders will be able to watch, listen, and vote online.

To access the virtual meeting:

1. Open your internet browser and go to **investor.automic.com.au**
2. Login with your username and password or click "**register**" if you haven't already created an account. **Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting**
3. After logging in, a banner will be displayed at the top once the meeting is open for registration, click on "**View**" when this appears
3. Click on "**Register**" and follow the steps
4. Click on the URL to join the webcast where you can view and listen to the virtual meeting
5. Once the Chair of the Meeting has declared the poll open for voting click on "**Refresh**" to be taken to the voting screen
6. Select your voting direction and click "**confirm**" to submit your vote. **Note that you cannot amend your vote after it has been submitted**

You may still attend the meeting and vote at the Virtual Meeting even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance at the Virtual Meeting will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment will be deemed to be revoked with respect to voting on that resolution.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9389 3180.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 31 December 2022 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.cresopharma.com.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Meeting.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – BOAZ WACHTEL

3.1 General

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Mr Boaz Wachtel, who has served as a Director since 20 November 2015 and was last re-elected on 24 June 2021, retires by rotation and seeks re-election.

3.2 Qualifications and other material directorships

Mr Wachtel was Co-Founder and former Managing Director of MMJ PhytoTech Ltd, Australia's first publicly traded Medical Cannabis Company. Co-founder of IMCPC – International Medical Cannabis Patient Coalition. He is an Israeli medical cannabis pioneer/activist, who formulated and assisted the Ministry of Health with the implementation of the National Medical Cannabis Program – one of only few national programs in the world. He is a frequent lecturer and adviser to governments, national committees, business and NGO's on medical cannabis program formulation, grow operations, international laws and UN drug convention compliance, as well as the founder (1999) and former Chairman of the Green Leaf Party, an Israeli political party for cannabis legalisation/medicalisation, human rights and ecology. Mr Wachtel is a certified clinical research manager and holds an MA in Management and Marketing from the University of Maryland.

During the past three (3) years Mr Wachtel has held a directorship in Roots Sustainable Agricultural Technologies Limited (ASX: ROO) since April 2009.

3.3 Independence

If re-elected the Board does not consider Mr Wachtel will be an independent Director due to his former executive role with the Company which ceased on 15 August 2020.

3.4 Board recommendation

The Board has reviewed Mr Wachtel's performance since his appointment to the Board and considers that their skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Mr Wachtel and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTIONS 3 TO 5 – ELECTION OF DIRECTORS

4.1 General

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and Listing Rule 14.4, any Director so appointed holds office only until the next annual general meeting and is then eligible for election

by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

4.2 Resolution 3 – Election of Peter Hatfull

Mr Peter Hatfull, having been appointed by other Directors on 30 November 2022 in accordance with the Constitution, will retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks election from Shareholders.

(a) Qualifications and other material directorships

Mr Hatfull has over 30 years' experience in a range of senior executive positions with Australian and International companies. He has an extensive skill-set in the areas of business optimisation, capital raising and company restructuring.

Mr Hatfull has held senior financial and Board positions in Australia, Africa and the UK. He has particular experience in revitalising business plans, attracting investor funding, and implementing profitable strategies.

Mr Hatfull graduated as a Chartered Accountant in the United Kingdom, where he worked for Coopers and Lybrand (now PriceWaterhouseCoopers), and subsequently moved to Africa, where he spent 8 years in Malawi. Mr Hatfull moved to Perth in 1988.

During the past three years, Mr Hatfull held a directorship in the following other ASX listed entities:

- (i) Roots Sustainable Agricultural Technologies Limited (ASX:ROO) since July 2020 and resigned August 2022;
- (ii) Esense-Lab Limited (ASX:ESE) (delisted August 2021) since July 2020;
- (iii) Pivotal Metals Limited (ASX:PVT) since May 2018; and
- (iv) Roto-Gro International Limited (ASX:RGI) since April 2022.

(b) Independence

Mr Hatfull has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected the Board considers Mr Hatfull will be an independent Director.

4.3 Resolution 4 – Election of Ben Quirin

Mr Ben Quirin, having been appointed by other Directors on 10 October 2022 in accordance with the Constitution, will retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks election from Shareholders.

(a) Qualifications and other material directorships

Mr Quirin is Australia-based and 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.

Mr Quirin has not been a director of any other listed Company within the last three years.

(b) **Independence**

Mr Quirin has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected the Board considers Mr Quirin will be an independent Director.

4.4 Resolution 5 – Election of Jodi Scott

Mrs Jodi Scott, having been appointed by other Directors on 10 October 2022 in accordance with the Constitution, will retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks election from Shareholders.

(a) **Qualifications and other material directorships**

Ms Scott has been employed in the position of President US operations by Sierra Sage Herbs LLC (**SSH**) and is responsible for all executive and management matters affecting SSH.

Ms Jodi Scott is co-founder and CEO of Sierra Sage Herbs LLC, based in Colorado USA. Ms 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 in the USA.

Ms Scott has not been a director of any other listed Company within the last three years.

(b) **Independence**

If elected, the Board does not consider Ms Scott will be an independent Director due to her role as an executive director of the Company.

4.5 Other material information

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character, criminal record and bankruptcy history. The Company undertook such checks prior to the appointment of Mr Peter Hatfull, Mr Ben Quirin and Mrs Jodi Scott.

Each of Mr Peter Hatfull, Mr Ben Quirin and Mrs Jodi Scott has confirmed that they will have sufficient time to fulfil their responsibilities as, in the case of Mr Peter Hatfull and Mr Ben Quirin as Non-Executive Director, and Mrs Jodi Scott as an executive Director, of the Company and does not consider that any other commitment will interfere with their availability to perform their duties.

4.6 Board recommendation

The Board has reviewed the performance of Mr Peter Hatfull, Mr Ben Quirin and Mrs Jodi Scott since their appointment to the Board and considers that their skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the election of Mr Peter Hatfull, Mr Ben Quirin and Mrs Jodi Scott and recommends that Shareholders vote in favour of Resolutions 3 to 5.

5. RESOLUTION 6 – APPROVAL OF 7.1A MANDATE

5.1 General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$21,365,076.95 (based on the number of Shares on issue and the closing price of Shares on the ASX on 20 April 2023).

Resolution 6 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

For note, a special resolution is a resolution requiring at least 75% of votes cast by shareholders present and eligible to vote at the meeting in favour of the resolution.

If Resolution 6 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 6 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

5.2 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 6:

(a) **Period for which the 7.1A Mandate is valid**

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;

- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

(b) **Minimum price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued for cash consideration at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 5.2(b)(i), the date on which the Equity Securities are issued.

(c) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for:

- (i) advancing the Company's existing operations and potential future operations, including the development, marketing and distribution of human and animal health products, CBD, recreational cannabis and plant-based products and investment in the cannabis cultivation facilities and operations of the Company's existing and future subsidiaries in Canada, US and Colombia and the development, marketing and distribution of psychedelics alternative medicines;
- (ii) business development, promotion and marketing services;
- (iii) costs associated with corporate actions, including the costs associated with dual listing on another recognised exchange;
- (iv) the acquisition of new resources, assets and investments (including expenses associated with such an acquisition);
- (v) repayment of debt; and
- (vi) general working capital.

(d) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 6 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate,

the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue or proposed to be issued as at 13 April 2023.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.005	\$0.010	\$0.015
			50% decrease	Issue Price	50% increase
		Funds Raised			
Current	2,349,650,832 Shares	234,965,083 Shares	\$1,174,825	\$2,349,650	\$3,524,476
50% increase	3,524,476,248 Shares	352,447,624 Shares	\$1,762,238	\$3,524,476	\$5,286,714
100% increase	4,699,301,664 Shares	469,930,166 Shares	\$2,349,650	\$4,699,301	\$7,048,952

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

- There are currently 2,349,650,832 Shares on issue comprising:
 - 2,136,507,695 existing Shares as at the date of this Notice;
 - 14,640,106 Shares which will be issued if Resolutions 7, 11 and 15 are passed at this Meeting;
 - 32,000,000 Shares if Resolution 6 of the Notice of Meeting released by the Company on 14 April 2023 (**April NOM**) is passed;
 - 4,612,320 Shares if Resolution 8 of the April NOM is passed;
 - 155,250,605 Shares, subject to, and upon, completion of the acquisition of Health House International Limited; and
 - 6,640,106 Shares if shareholder approval is granted for the issue of Shares (and Options) to William Lay in connection with his participation in the placement undertaken as announcement on 17 February 2023.
- The issue price set out above is the closing market price of the Shares on the ASX on 13 April 2023 (being \$0.010).
- The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
- The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
- The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of

the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 31 May 2022 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 31 May 2022, the Company issued 155,865,458 Shares pursuant to the Previous Approval (**Previous Issue**), which represent approximately 12.02% of the total diluted number of Equity Securities on issue in the Company on 31 May 2022, which was 1,296,292,502.

Further details of the issues of Equity Securities by the Company pursuant to Listing Rule 7.1A.2 during the 12 month period preceding the date of the Meeting are set out in Schedule 1.

5.3 Voting Exclusion Statement

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

6. RESOLUTION 7 – APPROVAL TO ISSUE SHARES TO CHRIS GRUNDY

6.1 General

The Company is proposing to issue 4,000,000 Shares (**Bonus Shares**) to Mr Chris Grundy for his role as Chief Financial Officer and to reward Mr Grundy for his performance in his role over the last 12 months. The Company considers that the issue of the Bonus Shares will also further align the interests of Mr Grundy with those of Shareholders.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Bonus Shares does not fit within any of the exceptions set out in Listing Rule 7.2. While the issue does not exceed the 15% limit in Listing Rule 7.1 and can therefore be made without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 so that it does not use up any of its 15% placement capacity under Listing Rule 7.1.

6.2 Technical information required by Listing Rule 14.1A

If Resolution 7 is passed, the Company will be able to proceed with the issue of the Bonus Shares. In addition, the issue of the Bonus Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 7 is not passed, the issue of the Bonus Shares can still proceed but it will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue.

Resolution 7 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Bonus Shares.

6.3 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 7:

- (a) the Bonus Shares will be issued to Mr Chris Grundy;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that although Mr Grundy is a Key Management Personnel, he will not be issued more than 1% of the issued capital of the Company;
- (c) the maximum number of Bonus Shares to be issued is 4,000,000;
- (d) the Bonus Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Bonus Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Bonus Shares will occur on the same date;
- (f) the Bonus Shares will be issued at a nil issue price, in consideration for Mr Grundy's services as Chief Financial Officer and to provide a performance linked incentive component in the remuneration package for Mr Grundy to align the interests of Shareholders, to motivate and reward the performance of Mr Grundy in his role as Chief Financial Officer and to provide a cost effective way for the Company to remunerate Mr Grundy, which will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Grundy;
- (g) the Bonus Shares are not being issued under an agreement; and
- (h) the Bonus Shares are not being issued under, or to fund, a reverse takeover.

7. RESOLUTION 8 – ISSUE OF OPTIONS TO BENJAMIN QUIRIN

7.1 General

As announced on 10 October 2022, the Company appointed Mr Benjamin Quirin as a Non-Executive Director. Pursuant to Mr Quirin's appointment, the Company agreed, subject to obtaining Shareholder approval, to issue 2,000,000 Options (**Quirin Options**) to Mr Quirin (or their nominee) on the terms and conditions set out below.

Resolution 8 seeks Shareholder approval for the issue of the Quirin Options to Mr Quirin (or their nominee).

A summary of Mr Quirin's appointment is set out below:

Role	Non-Executive Director
Termination	Until resignation or as provided in the Constitution, Corporations Act or ASX Listing Rules (if applicable).
Base Salary	\$80,000 (gross), all inclusive.
Additional Benefits	The Company has agreed to issue the Quirin Options.

7.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Quirin Options to Mr Quirin (or their nominee) constitutes giving a financial benefit and Mr Quirin is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Quirin who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Options because the agreement to issue the Options, reached as part of the remuneration package for Mr Quirin, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

7.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The proposed issue of the Quirin Options falls within exception 11 under Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.1.

Resolution 8 seeks the required Shareholder approval for the issue of the Quirin Options under and for the purposes of Listing Rule 10.11.

7.4 Technical information required by Listing Rule 14.1A

If Resolution 8 is passed, the Company will be able to proceed with the issue of the Quirin Options to Mr Quirin within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Quirin Options (because approval is being obtained under Listing Rule 10.11), the issue of the Quirin Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 8 is not passed, the Company will not be able to proceed with the issue of the Quirin Options and the Company will consider alternative means of remuneration for Mr Quirin, which may include additional cash payments.

7.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 8:

- (a) the Quirin Options will be issued to Mr Quirin (or their nominee), who falls within the category set out in Listing Rule 10.11.1 as Mr Quirin is a related party of the Company by virtue of being a Director;
- (b) the maximum number of Quirin Options to be issued is 2,000,000;
- (c) the terms and conditions of the Quirin Options are set out in Schedule 3;
- (d) the Quirin Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Quirin Options will occur on the same date;
- (e) the issue price of the Quirin Options will be nil. The Company will not receive any other consideration in respect of the issue of the Quirin Options (other than in respect of funds received on exercise of the Quirin Options);
- (f) the purpose of the issue of the Quirin Options is to provide a performance linked incentive component in the remuneration package for Mr Quirin to motivate and reward their performance as a Director and to provide cost effective remuneration to Mr Quirin, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Quirin;
- (g) the current total remuneration package for Mr Quirin is \$80,000, comprising of directors' salary of \$80,000. If the Quirin Options are issued, the total remuneration package of Mr Quirin will increase by \$2,210 to \$82,210, being the value of the Options (based on the Black Scholes methodology);

- (h) the Quirin Options are being issued to Mr Quirin under his appointment as a Non-Executive Director. A summary of the material terms of his appointment is set out in Section 7.1; and
- (i) a voting exclusion statement is included in Resolution 8 of the Notice.

8. RESOLUTION 9 – ISSUE OF INVESTOR OPTIONS TO LA PLATA

8.1 General

As announced on 27 January 2023 and 6 March 2023, the Company exchanged US\$1,282,500 of existing debt from La Plata Capital, LLC (**La Plata**) (before costs) into a converting loan and acquired 31.25% of an existing debt (being, US\$500,000) with Abby and Finn LLC (the **Plata Loan**).

The Plata Loan will be secured by a general security granted over the Cannabis Cultivation Facility located in Nova Scotia, Canada, which is owned by Mernova and a property mortgage over land held by Mernova (**Plata Security**). The Plata Security will have a second ranking over the existing security.

The Company has agreed under the Plata Loan, subject to Shareholder approval, to issue La Plata 37,037 Options per USD\$2,500 invested, regardless of whether the Convertible Notes are converted to equity or get repaid back in cash, exercisable at \$0.08 each on or before the date that is approximately four (4) years after the date of issue (**Investor Options**).

The Company seeks Shareholder approval for the issue of 26,407,381 Investor Options to La Plata (or their nominee) on the terms and conditions set out below.

The Company intends to seek quotation of the Investor Options, subject to meeting Listing Rule requirements. For the avoidance of doubt, each Investor Option will be on the same terms and conditions as the Options currently trading on the ASX under the code 'CPHOD'.

The terms and conditions of the Investor Options are set out in Schedule 2.

8.2 Listing Rule 7.1

As summarised in Section 6.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Investor Options falls within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

8.3 Technical information required by Listing Rule 14.1A

If Resolution 9 is passed, the Company will be able to proceed with the issue of the Investor Options. In addition, the issue of the Investor Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 9 is not passed, the Company will not be able to proceed with the issue of the Investor Options to La Plata and the Company may breach the terms of the Loan or may seek alternative means to compensate La Plata.

8.4 Technical Information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 9:

- (a) the Investor Options will be issued to La Plata (or their nominee);
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that La Plata:
 - (i) is not a related party of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) will not be issued more than 1% of the issued capital of the Company;
- (c) the maximum number of Investor Options to be issued is 26,407,381;
- (d) the terms and conditions of the Investor Options are set out in Schedule 2;
- (e) the Investor Options will be issued to La Plata no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Investor Options will occur on the same date;
- (f) the issue price of the Options will be nil. The Company will not receive any other consideration in respect of the issue of the Options (other than in respect of funds received on exercise of the Options);
- (g) the purpose of the issue of the Investor Options is to satisfy the Company's obligations under the Plata Loan and for the purposes set out in Section 8.1;
- (h) the Investor Options are being issued to La Plata under the Plata Loan. A summary of the material terms of the Plata Loan is set out in Section 8.1;
- (i) the Investor Options are not being issued under, or to fund, a reverse takeover; and
- (j) a voting exclusion statement is included in Resolution 9 of the Notice.

9. RESOLUTION 10 – CHANGE OF COMPANY NAME

Section 157(1)(a) of the Corporations Act provides that a company may change its name if the company passes a special resolution adopting a new name.

Resolution 10 seeks the approval of Shareholders for the Company to change its name to "Melodiol Global Health Limited".

The Board proposes this change of name on the basis that it believes the proposed name more accurately reflects the future operations of the Company.

The proposed name has been reserved by the Company with ASIC and if Resolution 10 is passed, the Company will lodge a copy of the special resolution with ASIC following the Meeting in order to effect the change.

If Resolution 10 is passed the change of name will take effect when ASIC alters the details of the Company's registration.

10. RESOLUTIONS 11 AND 12 – ISSUE OF BROKER SECURITIES TO EVERBLU CAPITAL

10.1 General

As announced on 6 April 2023, the Company confirms that the \$2 million (before costs) in firm commitments referred to in the announcement dated 17 February 2023 (**February Announcement**) comprised of and was satisfied as follows:

- (a) \$1,631,999.98 in subscriptions for 108,366,532 Shares (and free attaching Options as disclosed in the February Announcement) at an issue price of \$0.01506 per Share, payable in cash. \$100,000 of the Placement was subscribed for by the Company's Managing Director, Mr William Lay, and therefore remains subject to shareholder approval to be sought at a future date; and
- (b) \$368,861.98 in subscriptions for 24,492,828 Shares at a deemed issue price of \$0.01506 per Share, on the same terms as the participants in paragraph (a), which subscriptions were offset against invoices owed by the Company and were issued out of the Company's 7.1 placement capacity on the same date as the Placement,

(together, **Placement**).

The Company advises that the recipients under paragraph (b) above, were as follows:

- (a) 14,940,239 Shares were issued to Achievement Nominees Pty Ltd in lieu of payment of invoices for legal services provided by Steinepreis Paganin with a total value of \$225,000;
- (b) 3,842,098 Shares were issued to EAS Advisors in lieu of payment of invoices for advisory services provided with a total value of \$57,862; and
- (c) 5,710,491 Shares were issued to Six Degrees Group Holdings Pty Ltd in lieu of payment of invoices for investor relations services provided with a total value of \$86,000.

EverBlu Capital Corporate Pty Ltd (**EverBlu**) acted as lead manager to the Placement. In consideration for the provision of these services, the Company agreed to:

- (d) pay a 6% fee on the gross amount raised under the Placement (approximately \$120,000) payable in cash; and
- (e) subject to Shareholder approval, issue EverBlu:
 - (i) 4,000,000 Shares (being 2,000,000 Shares per \$1 million raised) (**Broker Shares**) (being the subject of Resolution 11); and
 - (ii) 132,859,360 listed Options (**Placement Options 1**) and 132,859,360 unlisted Options (**Placement Options 2**) (being the same number of listed and unlisted options as issued to investors under the Placement) (together, the **Broker Options**) (being the subject of Resolution 12).

The Broker Shares and Broker Options are herein together referred to as the **Broker Securities**.

Resolutions 11 and 12 seek Shareholder approval for the issue of the Broker Securities to EverBlu (or its nominee).

10.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 7.2.

The issue of the Broker Securities constitutes giving a financial benefit and EverBlu is a related party of the Company by virtue of being controlled by previous director, Adam Blumenthal. Although Mr Blumenthal has not been a director of the Company for the last six (6) months, ASX previously advised the Company that it would seriously consider exercising its discretion under Listing Rule 10.11.5 and continue to deem Mr Blumenthal as a related party.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Broker Securities because the agreement to grant the Broker Securities was negotiated on an arm's length basis.

10.3 Listing Rule 10.11

A summary of Listing Rule 10.11 is set out in Section 7.3.

The proposed issue of the Broker Securities falls within exception 11 under Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.1.

Resolutions 11 and 12 seek the required Shareholder approval for the issue of the Broker Securities under and for the purposes of Listing Rule 10.11.

10.4 Technical information required by Listing Rule 14.1A

If Resolutions 11 and 12 are passed, the Company will be able to proceed with the issue of the Broker Securities to EverBlu within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Options (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolutions 11 and 12 are not passed, the Company will not be able to proceed with the issue of the Broker Securities as part of the payment for services provided and will be required to re-negotiate a revised fee with EverBlu which may require cash payments and affect the Company's available cash position. The Company considers that a failure to comply with the obligations under such agreement may hinder the Company's ability to raise further capital, if necessary, as EverBlu may elect to cease providing further capital raising services to the Company and, given the current market, there can be no assurance that the Company would be able to engage an alternative lead manager to assist the Company to raise money on terms any more favourable than those agreed with EverBlu.

10.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 11 and 12:

- (a) the Broker Securities will be issued to EverBlu (or their nominee), who falls within the category set out in Listing Rule 10.11.1 by virtue of being controlled by previous director, Adam Blumenthal, which ASX has previously advised the Company that it would seriously consider exercising its discretion under Listing Rule 10.11.5 and continue to deem Mr Blumenthal as a related party;
- (b) the maximum number of Broker Securities to be issued is:
 - (i) 4,000,000 Broker Shares; and
 - (ii) 265,718,720 Broker Options,
- (c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the terms and conditions of the Broker Options are set out in Schedule 2;
- (e) the Broker Securities will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Broker Securities will occur on the same date;
- (f) the Broker Securities will be issued for nil cash consideration. The Company will not receive any other consideration in respect of the issue of the Broker Securities (other than in respect of funds received on exercise of the Broker Options);
- (g) the purpose of the issue of the Broker Securities is to satisfy the Company's obligations under its agreement with EverBlu (as summarised in Section 10.1);
- (h) the issue of the Broker Shares is to remunerate EverBlu for the provisions of lead manager services;
- (i) the Broker Securities are being issued under a mandate between the Company and EverBlu, a summary of which is set out in Section 10.1; and
- (j) a voting exclusion statement is included in Resolutions 11 and 12 of the Notice.

11. RESOLUTION 13 – ISSUE OF RESTRUCTURE FEE OPTIONS TO EVERBLU CAPITAL

11.1 General

As announced on 27 January 2023, the Company entered into a converting loan deed and loan modification document with La Plata, an existing lender of the Company's subsidiary, Sierra Sage Herbs LLC, for US\$1,282,500 of La Plata's existing US\$2 million debt with SSH to be swapped for US\$1,282,500 of secured notes in the Company (on similar terms, but ranking behind the existing secured convertible notes announced to the market on 1 November 2022) (**Restructure Transaction**).

EverBlu Capital assisted with the Restructure Transaction pursuant to the transaction mandate between itself and the Company (**Transaction Mandate**). A summary of the Transaction Mandate is set out in Schedule 5. Pursuant to the Transaction Mandate, the Company has agreed to pay EverBlu Capital a cash fee (which was waived by EverBlu Capital) and to issue EverBlu Capital (or its

nominee), subject to Shareholder approval, 74,125,134 Options under the Transaction Mandate (**Restructure Options**) on the terms and conditions set out below.

Resolution 13 seeks Shareholder approval for the issue of the Restructure Options to EverBlu Capital (or its nominee).

11.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 7.2.

The issue of the Restructure Options constitutes giving a financial benefit and EverBlu Capital is a related party of the Company by virtue of being controlled by previous director, Adam Blumenthal. Although Mr Blumenthal has not been a director of the Company for the last six (6) months, ASX has previously advised the Company that it would seriously consider exercising its discretion under Listing Rule 10.11.5 and continue to deem Mr Blumenthal as a related party.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Restructure Options because the agreement to grant the Restructure Options was negotiated on an arm's length basis.

11.3 Listing Rule 10.11

A summary of Listing Rule 10.11 is set out in Section 7.3.

The proposed issue of the Restructure Options falls within exception 11 under Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.1.

Resolution 13 seeks the required Shareholder approval for the issue of the Restructure Options under and for the purposes of Listing Rule 10.11.

11.4 Technical information required by Listing Rule 14.1A

If Resolution 13 is passed, the Company will be able to proceed with the issue of the Restructure Options to EverBlu Capital within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Restructure Options (because approval is being obtained under Listing Rule 10.11), the issue of the Restructure Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 13 is not passed, the Company will not be able to proceed with the issue of the Restructure Options as part of the payment for services provided and will be required to re-negotiate a revised fee with EverBlu Capital which may require cash payments and affect the Company's available cash position. The Company considers that a failure to comply with the obligations under such agreement may hinder the Company's ability to raise further capital, if necessary, as EverBlu Capital may elect to cease providing further capital raising services to the Company and, given the current market, there can be no assurance that the Company would be able to engage an alternative lead manager to assist the Company to raise money on terms any more favourable than those agreed with EverBlu Capital.

11.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 13:

- (a) the Restructure Options will be issued to EverBlu Capital (or their nominee), who falls within the category set out in Listing Rule 10.11.1 by virtue of being controlled by previous director, Adam Blumenthal, which ASX has previously advised the Company that it would seriously consider exercising its discretion under Listing Rule 10.11.5 and continue to deem Mr Blumenthal as a related party;
- (b) the maximum number of Restructure Options to be issued is 74,125,134;
- (c) the terms and conditions of the Restructure Options are set out in Schedule 2;
- (d) the Restructure Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (e) the issue price of the Restructure Options will be nil. The Company will not receive any other consideration in respect of the issue of the Restructure Options (other than in respect of funds received on exercise of the Restructure Options);
- (f) the purpose of the issue of the Restructure Options is to satisfy the Company's obligations under its Transaction Mandate with EverBlu Capital (as summarised in Schedule 5);
- (g) the issue of the Restructure Options is not intended to remunerate or incentivise a Director;
- (h) the Restructure Options are being issued under the Transaction Mandate between the Company and EverBlu Capital, a summary of which is set out in Schedule 5; and
- (i) a voting exclusion statement is included in Resolution 13 of the Notice.

12. RESOLUTION 14 – ISSUE OF LEAD MANAGER OPTIONS TO EVERBLU CAPITAL

12.1 General

As announced on 6 March 2023, the Company secured commitments to raise \$2.5 million through the issuance of secured convertible notes to SBC Global Investment Fund comprising of one tranche with an aggregate purchase price of \$1,700,000 pursuant to a convertible securities agreement and a second tranche with an aggregate purchase price of \$800,000 pursuant to a second convertible securities agreement (**Secured Notes Raise**).

The Company has agreed to pay EverBlu Capital a cash fee of 6% (up to \$150,000) and subject to Shareholder approval, EverBlu Capital (or its nominee) will be issued 100,000,000 Options (being 100 million Options per \$2.5 million raised under the Secured Notes Raise) for its role as lead manager to the Secured Notes Raise (**Lead Manager Options**) on the terms and conditions set out below.

Resolution 14 seeks Shareholder approval for the issue of the Lead Manager Options to EverBlu Capital (or its nominee).

12.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 7.2.

The issue of the Lead Manager Options constitutes giving a financial benefit and EverBlu is a related party of the Company by virtue of being controlled by previous director, Adam Blumenthal. Although Mr Blumenthal has not been a director of the Company for the last six (6) months, ASX previously advised the Company that it would seriously consider exercising its discretion under Listing Rule 10.11.5 and continue to deem Mr Blumenthal as a related party.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Lead Manager Options because the agreement to grant the Lead Manager Options was negotiated on an arm's length basis.

12.3 Listing Rule 10.11

A summary of Listing Rule 10.11 is set out in Section 7.3.

The proposed issue of the Lead Manager Options falls within exception 11 under Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.1.

Resolution 14 seeks the required Shareholder approval for the issue of the Lead Manager Options under and for the purposes of Listing Rule 10.11.

12.4 Technical information required by Listing Rule 14.1A

If Resolution 14 is passed, the Company will be able to proceed with the issue of the Lead Manager Options to EverBlu Capital (or its nominee) within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Lead Manager Options (because approval is being obtained under Listing Rule 10.11), the issue of the Lead Manager Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 14 is not passed, the Company will not be able to proceed with the issue of the Lead Manager Options as part of the payment for services provided and will be required to re-negotiate a revised fee with EverBlu Capital which may require cash payments and affect the Company's available cash position. The Company considers that a failure to comply with the obligations under such agreement may hinder the Company's ability to raise further capital, if necessary, as EverBlu Capital may elect to cease providing further capital raising services to the Company and, given the current market, there can be no assurance that the Company would be able to engage an alternative lead manager to assist the Company to raise money on terms any more favourable than those agreed with EverBlu Capital.

12.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 14:

- (a) the Lead Manager Options will be issued to EverBlu Capital (or their nominee), who falls within the category set out in Listing Rule 10.11.1 by virtue of being controlled by previous director, Adam Blumenthal, which ASX has previously advised the Company that it would seriously consider exercising its discretion under Listing Rule 10.11.5 and continue to deem Mr Blumenthal as a related party;
- (b) the maximum number of Lead Manager Options to be issued is 100,000,000;
- (c) the terms and conditions of the Lead Manager Options are set out in Schedule 2;
- (d) the Lead Manager Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Lead Manager Options will occur on the same date;
- (e) the issue price of the Lead Manager Options will be nil. The Company will not receive any other consideration in respect of the issue of the Lead Manager Options (other than in respect of funds received on exercise of the Lead Manager Options);
- (f) the purpose of the issue of the Lead Manager Options is to satisfy the Company's obligations set out in Section 12.1;
- (g) the issue of the Lead Manager Options is not intended to remunerate or incentivise a Director;
- (h) the Lead Manager Options are being issued pursuant to an agreement between the Company and EverBlu Capital, a summary of which is set out in Section 12.1; and
- (i) a voting exclusion statement is included in Resolution 14 of the Notice.

13. RESOLUTION 15 – APPROVAL TO ISSUE SECURITIES TO WILLIAM LAY

13.1 General

Resolution 15 seeks Shareholder approval for the issue of 10,000,000 Options and 7,500,000 Performance Rights (together, **Incentive Securities**) to Mr William Lay (or his nominee).

The Company is seeking to issue these securities under the consultancy services agreement with Mr William Lay, whereby Mr Lay agreed to act as Chief Executive Officer and Managing Director of the Company (**Consultancy Services Agreement**). A summary of the material terms of the Consultancy Services Agreement is set out below:

Position	Chief Executive Officer and Managing Director
Term	A four-year term commencing on 17 January 2022, unless terminated prior in accordance with the Consultancy Service Agreement.
Base Salary	CAD\$350,000 per annum.

Incentive

The Company has agreed, subject to obtaining Shareholder approval, to issue 7,500,000 Performance Rights and 10,000,000 Options to Mr William Lay (or his nominee).

The Performance Rights will vest upon the Company achieving \$30 million in annual group revenue within 24 months of Mr Lay's appointment as Chief Executive Officer and Managing Director.

The Options will be exercisable at \$0.20 each on or before 17 January 2024 (the date that is two years from the date of Mr Lay's appointment as CEO and Managing Director) (**Lay Options**). The Lay Options shall vest and become exercisable on the first anniversary of Mr Lay's appointment, subject to Mr Lay's continuous employment at that date.

The number of securities to be issued to Mr Lay was determined as reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

Resolution 15 seeks Shareholder approval for the issue of the Incentive Securities to Mr Lay (or his nominee) under and for the purposes of Listing Rule 10.11.

13.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 7.2.

The issue of the Incentive Securities to Mr Lay (or his nominee) constitutes giving a financial benefit and Mr Lay is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Lay who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Incentive Securities, because the agreement to issue the Incentive Securities, reached as part of the remuneration package for Mr Lay, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

13.3 Listing Rule 10.11

A summary of Listing Rule 10.11 is set out in Section 7.3.

The proposed issue of the Incentive Securities falls within exception 11 under Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.1.

Resolution 15 seeks the required Shareholder approval for the issue of the Incentive Securities under and for the purposes of Listing Rule 10.11.

13.4 Technical information required by Listing Rule 14.1A

If Resolution 15 is passed, the Company will be able to proceed with the issue of the Incentive Securities to Mr Lay within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Incentive Securities (because approval is being obtained under Listing Rule 10.11), the issue of the Incentive Securities will not use up any of the Company's 15% annual placement capacity.

If Resolution 15 is not passed, the Company will not be able to proceed with the issue of the Incentive Securities, and the Company will consider alternative means of remuneration for Mr Lay, which may include additional cash payments.

13.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 15:

- (a) the Incentive Securities will be issued to Mr William Lay (or his nominee), who falls within the category set out in Listing Rule 10.11.1 as Mr William Lay is a related party of the Company by virtue of being a Director;
- (b) the maximum number of Incentive Securities to be issued is:
 - (i) 7,500,000 Performance Rights; and
 - (ii) 10,000,000 Lay Options;
- (c) the terms and conditions of the Performance Rights and Lay Options are set out in Schedules 4 and 2, respectively;
- (d) the Incentive Securities will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Incentive Securities will occur on the same date;
- (e) the issue price of the Incentive Securities will be nil. The Company will not receive any other consideration in respect of the issue of the Incentive Securities (other than in respect of funds received on exercise of the Lay Options);
- (f) the purpose of the issue of the Incentive Securities is to provide a performance linked incentive component in the remuneration package for Mr Lay to motivate and reward his performance as Chief Executive Officer and Managing Director and to provide cost effective remuneration to Mr Lay, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Lay;
- (g) the current total remuneration package for Mr Lay is CAD\$350,000 including superannuation. If the Incentive Securities are issued, the total remuneration package of Mr Lay will increase by CAD\$37,127 to CAD\$387,127, being the value of the Performance Rights and Lay Options (based on the Black Scholes methodology); and
- (h) the Incentive Securities are being issued to Mr Lay under the Consultancy Services Agreement. A summary of the material terms of the Consultancy Services Agreement is set out in Section 13.1.

GLOSSARY

\$ means Australian dollars.

CAD\$ means Canadian dollars.

US\$ or **USD\$** means United States dollars.

7.1A Mandate has the meaning given in Section 5.1.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Bonus Shares has the meaning given in Section 6.1.

Broker Securities means Broker Shares and Broker Options.

Broker Shares has the meaning given in Section 10.1.

Broker Options has the meaning given in Section 10.1 and on the terms set out in Schedule 2.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Creso Pharma Limited (ACN 609 406 911).

Constitution means the Company's constitution.

Consultancy Services Agreement has the meaning given in Section 13.1.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

EverBlu or **EverBlu Capital** means EverBlu Capital Pty Ltd (ABN 23 612 793 683) (AFSL 499 601) or EverBlu Capital Corporate Pty Ltd (ACN 642 215 343) as the context requires.

Explanatory Statement means the explanatory statement accompanying the Notice.

Incentive Securities has the meaning given in Section 13.1.

Investor Options has the meaning given in Section 8.1 and on the terms set out in Schedule 2.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

La Plata means La Plata Capital, LLC.

Lay Options has the meaning given in Section 13.1 and on the terms set out in Schedule 2.

Lead Manager Options has the meaning given in Section 12.1 and on the terms set out in Schedule 2.

Listing Rules means the Listing Rules of ASX.

Meeting means the meeting convened by the Notice.

Notice means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Right means a performance right to acquire a Share.

Placement has the meaning given in Section 10.1.

Placement Options 1 has the meaning given in Section 10.1 and on the terms set out in Schedule 2.

Placement Options 2 has the meaning given in Section 10.1 and on the terms set out in Schedule 2.

Plata Loan has the meaning given in Section 8.1.

Plata Security has the meaning given in Section 8.1.

Proxy Form means the proxy form accompanying the Notice.

Quirin Options has the meaning given in Section 7.1 and on the terms set out in Schedule 3.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 31 December 2022.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Restructure Options has the meaning given in Section 11.1 and on the terms set out in Schedule 2.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Transaction Mandate means the transaction mandate between the Company and EverBlu as summarised in Schedule 5.

Variable A means "A" as set out in the formula in Listing Rule 7.1A.2.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – ISSUES OF EQUITY SECURITIES UNDER LISTING RULE 7.1A SINCE 31 MAY 2022

Date	Recipients	Number and Class of Equity Securities Issued	Issue price and discount to Market Price (if applicable) ¹	Total Cash Consideration and Use of Funds
Issue and Appendix 2A – 24 February 2023	Professional and sophisticated investors as part of a placement announced on 17 February 2023. The placement participants were identified through a bookbuild process, which involved EverBlu Capital Corporate seeking expressions of interest to participate in the placement from non-related parties of the Company.	101,726,426 Shares ²	\$0.01506 (representing a premium to Market Price of 7.57%)	Amount raised or to be raised = \$1,531,999.97 under the placement (before costs) Amount spent = \$1,531,000.97 Use of funds: Sales and marketing initiatives in the US, completion of Halucenex Life Sciences Inc.'s phase II clinical trial to test the efficacy of psilocybin on treatment resistant Post Traumatic Stress Disorder (PTSD), pending M&A opportunities, product development initiatives, costs of the offer and the repayment of existing debt. Amount remaining = \$0
Issue and Appendix 2A – 8 August 2022	Professional and sophisticated investors as part of a placement announced on 4 August 2022. The placement participants were identified through a bookbuild process, which involved EverBlu Capital seeking expressions of interest to participate in the placement from non-related parties of the Company.	54,139,032 Shares ²	\$0.04 (representing an equal price to the Market Price.	Amount raised or to be raised = \$2,165,561.28 under the placement (before costs) Amount spent = \$2,165,561.28 Use of funds: To progress further expansion into the US with pending acquisition target, Sierra Sage Herbs LLC. Amount remaining = \$0

Notes:

1. Market Price means the closing price of Shares on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: CPH (terms are set out in the Constitution).

SCHEDULE 2 – INVESTOR OPTIONS, LAY OPTIONS, BROKER OPTIONS, RESTRUCTURE OPTIONS AND LEAD MANAGER OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be:

- (i) Investor Options, Restructure Options and Lead Manager Options: \$0.08;
- (ii) Lay Options: \$0.20; and
- (iii) Broker Options:
 - (A) Placement Options 1: \$0.08; and
 - (B) Placement Options 2: \$0.03,

each, an **Exercise Price**.

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on:

- (i) Investor Options and Lead Manager Options: 31 January 2027;
- (ii) Lay Options: 17 January 2024;
- (iii) Restructure Options: 31 January 2027; and
- (iv) Broker Options:
 - (A) Placement Options 1: 31 January 2027; and
 - (B) Placement Options 2: 24 August 2024 (being 18 months from the date of issuing the Shares under the Placement),

each, an **Expiry Date**.

An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in

Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Quotation of Options**

The Company may seek quotation of the Options in accordance with the Listing Rules and Corporations Act, subject to satisfaction of the quotation conditions of the ASX Listing Rule.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 3 – TERMS AND CONDITIONS OF QUIRIN OPTIONS

(a) **Entitlement**

Each Quirin Option entitles the holder to subscribe for one Share upon exercise of the Quirin Option.

(b) **Exercise Price**

Subject to paragraph (k), the amount payable upon exercise of each Quirin Option will be \$0.04 (**Exercise Price**)

(c) **Vesting Conditions**

The Quirin Options will vest and become exercisable as follows:

- (a) 1/3 of the Quirin Options will vest on the date that is six months after the date of appointment as a director of the Company;
- (b) 1/3 of the Quirin Options will vest on the date that is twelve months after the date of appointment as a director of the Company; and
- (c) 1/3 of the Quirin Options will vest on the date that is eighteen months after the date of appointment as a director of the Company.

(d) **Automatic Lapse**

If you cease to be a director of the Company prior to the achievement of the respective Vesting Conditions, all unvested Quirin Options will immediately lapse.

(e) **Expiry Date**

Each Quirin Option will expire at 5:00 pm (WST) on the date that is two years following the date of your appointment as a director of the Company (Expiry Date). An Quirin Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(f) **Exercise Period**

The Quirin Options are exercisable at any time on and from the achievement of the respective Vesting Conditions until the Expiry Date (**Exercise Period**).

(g) **Notice of Exercise**

The Quirin Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Quirin Option certificate (Notice of Exercise) and payment of the Exercise Price for each Quirin Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(h) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Quirin Option being exercised in cleared funds (Exercise Date).

(i) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (d) issue the number of Shares required under these terms and conditions in respect of the number of Quirin Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (e) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (f) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Quirin Options.

If a notice delivered under (i)(e) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(j) **Shares issued on exercise**

Shares issued on exercise of the Quirin Options rank equally with the then issued shares of the Company.

(k) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(l) **Participation in new issues**

There are no participation rights or entitlements inherent in the Quirin Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Quirin Options without exercising the Quirin Options.

(m) **Change in exercise price**

An Quirin Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Quirin Option can be exercised.

(n) **Transferability**

The Quirin Options are not transferable.

SCHEDULE 4 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

A summary of the terms and conditions of the Performance Rights is set out below:

- (a) **(Milestone)** Subject to paragraph (e), the Performance Rights will vest upon the Company achieving \$30,000,000 in annual group revenue.
- (b) **(Expiry Date)** Each of the Performance Rights shall lapse at 5:00 pm (EST) on 17 January 2024.
- (c) **(Notification to holder)** The Company shall notify the holder in writing when the relevant Milestone has been satisfied **(Notification)**.
- (d) **(Conversion)** Subject to paragraph (o), upon confirmation of vesting, each Performance Right will automatically convert into one Share.
- (e) **(Lapse of a Performance Right):** If a Milestone attached to the relevant Performance Right has not been satisfied within the relevant time period set out in paragraph (b), the relevant Performance Rights will automatically lapse.
- (f) **(Consideration)** The Performance Rights will be issued for nil consideration and no consideration will be payable upon the conversion of the Performance Rights into Shares.
- (g) **(Share ranking)** All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.
- (h) **(Application to ASX)** The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.
- (i) **(Issue of Shares on Conversion)** Within 5 Business Days after the date that the Performance Shares are converted, the Company will:
 - (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights.
- (j) **(Transfer of Performance Rights)** The Performance Rights are not transferrable.
- (k) **(Participation in new issues)** A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- (l) **(Reorganisation of capital)** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of

a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.

- (m) **(Dividend and voting rights)** The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.
- (n) **(Change in control)** Subject to paragraph (o), upon:
 - (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (A) having received acceptances for not less than 50.1% of the Company's Shares on issue; and
 - (B) having been declared unconditional by the bidder; or
 - (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

the Performance Rights will automatically convert into Shares on a one-for-one basis.

- (o) **(Deferral of conversion if resulting in a prohibited acquisition of Shares)** If the conversion of a Performance Right would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**General Prohibition**) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:
 - (i) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition; and
 - (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (o)(i) within seven (7) days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.
- (p) **(No rights to return of capital)** A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (q) **(Rights on winding up)** A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.
- (r) **(No other rights)** A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

- (s) **(ASX Listing Rule Compliance)** The Board reserves the right to amend any term of the Performance Rights to ensure compliance with the ASX Listing Rules.
- (t) **(Tax)** Subdivision 83A-C of the Income Tax Assessment Act 1997, which enables tax deferral on performance rights, will apply (subject to the conditions in that Act), to the Performance Rights.

SCHEDULE 5 – SUMMARY OF TRANSACTION MANDATE

On 21 January 2020, the Company entered into a transaction mandate to engage EverBlu Capital to provide financial advisory services to the Company (**Transaction Mandate**). The Transaction Mandate was varied by on 24 March 2021. On 1 September 2022, EverBlu Capital Pty Ltd (ABN 23 612 793 683) (AFSL 499 601) (**EverBlu Capital**) novated its rights and obligations to EverBlu Capital Corporate Pty Ltd (ACN 642 215 343) (**EverBlu Corporate**).

The material terms and conditions of the Transaction Mandate are summarised below:

Date	21 January 2020 (Effective Date)																
Term	Expires 42 months from the Effective Date, unless terminated by EverBlu Corporate or the Company.																
Successful Transaction Fee	<p>The Company has agreed to pay EverBlu Corporate the applicable fees set out below:</p> <p>(a) (Acquisition): where the Company, alone or together with any associate(s), acquires:</p> <ul style="list-style-type: none"> (i) a relevant interest in 50% or more of the shares or other securities of the target company, business or other such entity; or (ii) a direct or indirect interest in 50% or more of the assets of the target company, business or other such entity, <p>the applicable percentage (set out below) of the highest price which is paid or payable under the transaction:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Highest Price</th> <th style="text-align: center;">Percentage Fee</th> </tr> </thead> <tbody> <tr> <td>0 - \$25 million</td> <td style="text-align: center;">7.5%</td> </tr> <tr> <td>\$25,000,001 - \$50 million</td> <td style="text-align: center;">6%</td> </tr> <tr> <td>greater than \$50 million</td> <td style="text-align: center;">5%</td> </tr> </tbody> </table> <p>However, in no circumstance will the transaction fee exceed \$5 million.</p> <p>(b) (Bid): where the prospective purchaser(s), alone or together with any associate(s), acquires:</p> <ul style="list-style-type: none"> (i) a relevant interest in 50% or more of the shares or other securities of the target company, business or other such entity; or (ii) a direct or indirect interest in 50% or more of the assets of the target company, business or other such entity, <p>and the transaction becomes or is declared unconditional, the applicable percentage (set out below) of the highest price which is paid or payable under the transaction:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Highest Price</th> <th style="text-align: center;">Percentage Fee</th> </tr> </thead> <tbody> <tr> <td>0 - \$25 million</td> <td style="text-align: center;">7.5%</td> </tr> <tr> <td>\$25,000,001 - \$50 million</td> <td style="text-align: center;">6%</td> </tr> <tr> <td>greater than \$50 million</td> <td style="text-align: center;">5%</td> </tr> </tbody> </table> <p>However, in no circumstance will the transaction fee exceed \$5 million.</p>	Highest Price	Percentage Fee	0 - \$25 million	7.5%	\$25,000,001 - \$50 million	6%	greater than \$50 million	5%	Highest Price	Percentage Fee	0 - \$25 million	7.5%	\$25,000,001 - \$50 million	6%	greater than \$50 million	5%
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0 - \$25 million	7.5%																
\$25,000,001 - \$50 million	6%																
greater than \$50 million	5%																

If the Bid transaction is not recommended by the board (e.g. a hostile bid) and is successfully defended so that the proposed acquirer does not obtain a 50% interest, the transaction fee will be 3% of the highest price which is paid or proposed to be paid or offered under the transaction (however, in no circumstance will the transaction fee exceed \$2 million).

- (c) **(Disposal)**: where the Company and/or any of its related bodies corporate (or any of their security holders) sell and/or exchange all or a portion of their shares, other securities or assets (or a combination thereof), the applicable percentage (set out below) of the total value of the shares, other securities and/or assets of the Company or related body corporate that are sold and/or exchanged under the transaction:

Highest Price	Percentage Fee
0 - \$10 million	7.5%
\$10,000,001 - \$20 million	6%
greater than \$20 million	5%

However, in no circumstance will the transaction fee exceed \$2.5 million.

- (d) **(Joint Venture)**: Where the Company enters into any joint or collaborative venture or partnership and it becomes unconditional, either:

- (i) the applicable percentage (set out below) of the value of the Company's interest in the joint or collaborative venture or partnership as a result of the transaction:

Highest Price	Percentage Fee
0 - \$10 million	7.5%
\$10,000,001 - \$20 million	6%
greater than \$20 million	5%

(however, in no circumstance will the transaction fee exceed \$1 million); or

- (ii) in circumstances where the Company's interest in the joint or collaborative venture or partnership is unquantifiable, a fixed fee to be mutually agreed between the parties.

- (e) **(Dual Listing)**: Where EverBlu Corporate advises on the listing of the Company's shares on the relevant securities exchange; or an agreed relevant securities exchange, the Company will pay EverBlu Corporate a transaction fee equal to 1% of the Market Capitalisation (defined below).

However, in no circumstance will the transaction fee exceed \$1 million.

Market Capitalisation is calculated as the number of the Company's shares in the issued capital of the Company at the end of the tenth trading day immediately after securities were first admitted to trading on that securities exchange and the volume weighted average price over a period of 10 trading days after first admitted to trading on the securities exchange.

	The above fees are advisory fees and are in respect of the Transaction Mandate only and are separate from other fees (including the Corporate Advisory Mandate).
Unsuccessful Transaction Fee	<p>In the event that an agreement for a transaction was entered or announced to the ASX, but the transaction is not successful or in respect of a hostile Bid the Bid is not successfully defended, the Company has agreed to pay EverBlu Corporate the applicable fee set out below:</p> <p>(a) (Acquisition); 1% of the highest price which was offered or proposed to be offered under the transaction (however, in no circumstance will the transaction fee exceed \$1 million);</p> <p>(b) (Bid): 1% of the highest price which was offered or proposed to be offered under the transaction (however, in no circumstance will the transaction fee exceed \$1 million);</p> <p>(c) (Disposal): 1% of total value of the shares, other securities and/or assets of the Company or a related body corporate that would have been sold and/or exchanged under the transaction (however, in no circumstance will the transaction fee exceed \$1,500,000); or</p> <p>(d) (Joint Venture): either:</p> <p>(i) 1% of the value that the Company's interest in the joint or collaborative venture or partnership would have been as a result of the transaction (however, in no circumstance will the transaction fee exceed \$500,000); or</p> <p>(ii) in circumstances where the Company's interest in the joint or collaborative venture or partnership is unquantifiable, a fixed fee to be mutually agreed between the parties.</p>
Payment of Transaction Fees and Issue of Securities	<p>The fees under the Transaction Mandate are exclusive of GST and may be paid in any combination of cash and/or securities as determined by the Company in writing at the relevant time, subject to obtaining shareholder approval for the issue of any securities. In determining the number of any securities (which are traded on a securities exchange) to be issued for the purpose of such payment, the following formula will be applied: $S = F \div VWAP$</p> <p>where:</p> <p>S is the number of securities to be issued;</p> <p>F is the total value of the fees to be paid in the form of securities; and</p> <p>VWAP is the volume weighted average price at which the shares (or other stock exchange quoted securities as applicable) are traded on the relevant securities exchange over a period of 10 trading days up to and including the day prior to the day on which the transaction is announced.</p> <p>Or, in the case of securities which are not traded on a securities exchange, the fair market value of those securities is used, as determined by a valuer appointed by mutual agreement of the parties.</p> <p>The issue of any securities will be subject to prior approval from shareholders of the Company. If the Company fails to dispatch a notice of meeting within 60 days of the receipt of the request from EverBlu Corporate, or if the Company's shareholders do not resolve to approve such resolution, any fees the subject of such resolution are instead payable to EverBlu Corporate in cash unless otherwise agreed.</p>
Third Party Financier	With the prior written consent of EverBlu Corporate, the Company may engage third parties to act as financiers, corporate advisers or lead

	managers for the Company in respect of transactions (Third Party Financier). If EverBlu Corporate provides prior written consent for the Company to engage the Third Party Financier, then the Company and EverBlu Corporate agree to negotiate in good faith a fee for EverBlu in lieu of a transaction fee.
Reimbursement	<p>The Company agreed to reimburse EverBlu Corporate for all reasonable expenses incurred in connection with any matter referred to in the Corporate Advisory Mandate.</p> <p>The Company will reimburse fees and disbursements of EverBlu Corporate's legal counsel (subject to the Company's approval to the extent those legal fees exceed \$5,000 per month).</p> <p>Prior written approval is required for incurring an aggregate monthly expense of \$5,000 per month and any individual expense over \$2,000.</p>
Break Fee	<p>If the Company or an affiliate or related body corporate enters into an agreement with respect to a transaction (Agreement) and the Transaction Mandate provides for a payment or reimbursement at any time to the Company or an affiliate in the event the transaction is terminated or otherwise not completed for whatever reason (a Break Fee) and in the event that the transaction is actually terminated or otherwise not completed for whatever reason and the Break Fees becomes receivable and is received by the Company, the Company will pay EverBlu Corporate a fee equal to the lesser of:</p> <ul style="list-style-type: none"> (a) the transaction fee that would have been payable had the transaction been successfully completed; and (b) 10% of such Break Fee if and when such Break Fee is paid to the Company or its affiliate.
Monthly Fee	During all periods where the Company and EverBlu Corporate agree that EverBlu Corporate is in active negotiations or advising on a transaction covered by the Transaction Mandate, the Company will pay EverBlu Corporate \$10,000 (plus GST) per month (or such other amount as the Company and EverBlu Corporate may agree) for advisory services until the later of the end of the relevant negotiations or completion of the transaction.
Termination	<p>The Transaction Mandate may be terminated:</p> <ul style="list-style-type: none"> (a) by EverBlu Corporate at any time at EverBlu Corporate's absolute discretion effective upon receipt by the Company of written notice to that effect; (b) by the Company if EverBlu Corporate commits a material breach of the Transaction Mandate which is, if capable of remedy, not remedied within seven days after receipt by EverBlu Corporate of written notice to that effect from the Company; or (c) by the Company without cause effective 12 months from the date of receipt by EverBlu Corporate of written notice to that effect.
Right of First Refusal	In the event that the Company and/or any related body corporate proposes to undertake any one or more transactions within the six (6) months following the expiry or termination of the Transaction Mandate (End Date) (other than in circumstances where EverBlu Corporate terminates the Transaction Mandate without cause or the Company terminates the Transaction Mandate for cause), the Company must first offer (or procure any related body corporate thereof offers) EverBlu Corporate the right to act in such transaction as exclusive financial adviser.

	Should EverBlu Corporate accept the offer and agree to act in such capacity, the parties agreed that their engagement and any work performed by EverBlu Corporate in that capacity will be governed by the terms of the Transaction Mandate.
Subsequent Transactions	<p>The Company will be liable to pay EverBlu Corporate all applicable fees and expenses (as set out above) in the event that at any time during the six (6) month period commencing upon the termination or expiry of the Transaction Mandate:</p> <ul style="list-style-type: none"> (a) a transaction which is the same or similar to that envisaged in the Transaction Mandate is completed or the Company and/or its affiliates enters into an agreement which contemplates such a transaction, and any such transaction is later completed with a party or parties that are introduced to the Company by EverBlu Corporate prior to termination of the Transaction Mandate; or (b) an Agreement (as defined above) is entered into with a party or parties that are introduced to the Company by EverBlu Corporate prior to termination of the Transaction Mandate pursuant to which a Break Fee is eventually made. <p>This will not apply in circumstances where the Company terminates the Transaction Mandate as a result of material breach by EverBlu Corporate or in circumstances where EverBlu Corporate becomes unable to or unwilling to act as a financial adviser to the Company.</p>

The Transaction Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).



Creso Pharma Limited | ACN 609 406 911

Proxy Voting Form

If you are attending the virtual Meeting please retain this Proxy Voting Form for online Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **3:00pm (AEST) on Monday, 29 May 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE: <https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

STEP 1 - How to vote

APPOINT A PROXY:

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of Creso Pharma Limited, to be held virtually at 3:00pm (AEST) on Wednesday, 31 May 2023 hereby:

Appoint the Chair of the Meeting (Chair) OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

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The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Unless indicated otherwise by ticking the "for," "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 8 and 15 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 8 and 15 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

VIRTUAL PARTICIPATION AT THE AGM:

The company is pleased to provide shareholders with the opportunity to attend and participate in a virtual Meeting through an online meeting platform powered by Automic, where shareholders will be able to watch, listen, and vote online.

To access the virtual meeting:

1. Open your internet browser and go to investor.automic.com.au
2. Login with your username and password or click "register" if you haven't already created an account. Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting

Further information on how to do this is set out in the Notice of Meeting. The Explanatory Notes that accompany and form part of the Notice of Meeting describe the various matters to be considered.



STEP 2 – Your voting direction

Resolutions	For	Against	Abstain	Resolutions	For	Against	Abstain
1. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11. Approval to Issue Broker Shares to Everblu Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-Election of Director – Boaz Wachtel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12. Approval to Issue Broker Options to Everblu Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Election of Director – Peter Hatfull	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13. Issue of Restructure Fee Options to Everblu Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Election of Director – Ben Quirin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14. Issue of Lead Manager Options to Everblu Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Election of Director – Jodi Scott	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15. Approval to Issue Securities to William Lay	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Approval of 7.1A Mandate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7. Approval to Issue Shares to Chris Grundy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8. Approval to Issue Options to Benjamin Quirin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
9. Approval to Issue Investor Options to La Plata	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
10. Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 – Signatures and contact details

Individual or Securityholder 1	Securityholder 2	Securityholder 3
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director	Director / Company Secretary
Contact Name:		
<input type="text"/>		
Email Address:		
<input type="text"/>		
Contact Daytime Telephone	Date (DD/MM/YY)	
<input type="text"/>	<input type="text"/>	
By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).		