



ASX Announcement

16 March 2017

## **Creso subsidiary Hemp Industries achieves approval for sale of new product range in the Czech Republic**

### **Highlights:**

- **Creso subsidiary Hemp-Industries (HI) receives regulatory approval in the Czech Republic for its new range of hemp extract-based, THC free products called diCBDium**
- **diCBDium comes in three different concentrations with 3% CBD, 5% CBD and 10% CBD content**
- **Approval paves way for the Company to begin selling diCBDIUM to 396 pharmacies in the Czech Republic**
- **The Company hopes to also expand distribution into Slovakia, Austria and Central Europe with negotiations well underway with potential distributors**
- **HI is also expecting a third order of its Hemp Protein from one of Slovakia's largest bakeries for the production of protein bars**

**Creso Pharma Limited** (ASX:CPH, the "Company") is pleased to announce that its subsidiary Hemp-Industries s.r.o. (HI) has received regulatory approval in the Czech Republic to sell its new product line called diCBDIUM.

The approval by the Czech Ministry of Agriculture, means that HI can begin selling the diCBDIUM products, via its distributor to 396 pharmacies in the Czech Republic.

In addition, HI intends to expand the distribution of these new products into Slovakia, Austria and Central Europe and has received expert legal and regulatory opinion that it will be able to commence distribution in these markets within the next six months. Ongoing negotiations with additional distributors in these countries are already underway.

HI's non-THC diCBDium product line is used for regulating health and disease, physiological functions, in the central and peripheral nervous systems and in peripheral organs and come in a range of strengths including a 3% CBD, 5% CBD and 10% CBD product.

In addition to the imminent sale of its diCBDIUM products, HI is also expecting a third order of its hemp protein from one of Slovakia's largest bakeries, Pekarne Liptovsky Hradok s.r.o. (PLH).

The order will be used by PLH to produce several top-quality protein bar products, that are then sold in leading grocery chains like Tesco and Kaufland. HI has previously supplied PLH with a 500kg shipment of hemp protein in August 2016 and a 700kg shipment in December 2016.



The growing demand for HI's products has seen the company expand its organic cultivation territories near the Carpathian Mountains in Slovakia and also the area near the Beskids Mountains in the Czech Republic in order to increase its production capacity.

"Hemp Industries continues to build its profile as the leading supplier in the region of hemp extract and hemp protein products and this new range provides another opportunity for the Company to grow its customer base and revenues," said Creso Chairman and Co-Founder Boaz Wachtel.

"We anticipate strong demand for the new range both in our existing markets and we also hope to build additional demand through distribution relationships in new markets across Central Europe."

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**About Creso Pharma**

Creso Pharma brings pharmaceutical expertise and methodological rigour to the world of medical cannabis and strives for the highest quality in its products. It is the leader in cannabidiol (CBD) innovation and develops cannabis- and hemp-derived therapeutic-grade CBD nutraceuticals and medical cannabis products with wide patient reach for human and animal health. Creso uses GMP development and manufacturing standards for its products as a reference of quality excellence with initial product registrations in Switzerland. It has worldwide rights for a number of unique and proprietary innovative delivery technologies which enhance the bioavailability and absorption of cannabinoids. The Company is already generating revenues via its subsidiary, Hemp-Industries.