



ASX Announcement

14 November 2018

Creso and Virbac grow global reach with exclusive distribution agreement for sales of Creso's veterinary products into the pet industry in 15 additional countries

Highlights:

- **Creso and Virbac sign an exclusive distribution agreement for Creso's veterinary products sales into 15 additional countries, including Colombia, France and Germany**
- **The agreement comes after the successful introduction into the Swiss & Liechtenstein markets**
- **Further expansion into other countries is planned**

Creso Pharma Limited (ASX:CPH, FRA:1X8, the "Company" or "Creso") and the Virbac Group are excited to announce the signing of an exclusive distribution agreement to expand the commercialisation and distribution of Creso's veterinary complementary feed products into 15 additional countries, following the successful launch in Switzerland & Liechtenstein.

Building on this success and after encouraging feedback from veterinarians and pet owners, Creso and the Virbac Group have signed an expansion agreement to commercialise Creso's veterinary product range across global markets in 2018 and beyond.

The following countries are included in the first phase of expansion: Austria, Belgium, Colombia, Cyprus, Denmark, Finland, France, Germany, Greece, Italy, Luxemburg, Netherlands, Norway, Portugal and Sweden.

Creso and Virbac's global reach puts them in a unique position to capture market share in the growing pet industry.

The global pet care market size was estimated at USD 131.7 billion in 2016 and is expected to grow with CAGR of 4.9% from 2016 to 2025.¹

¹ Pet Care Market Size Worth \$202.6 Billion by 2025 | CAGR: 4.9%
<https://www.grandviewresearch.com/press-release/global-pet-care-market>



Virbac is an independent pharmaceutical laboratory dedicated to animal health, since its beginning. Currently the world's 7th largest animal health company with presence in more than 100 countries with more than 4,800 employees and sales subsidiaries in 33 countries. Virbac offers a comprehensive and practical range of products and services covering the majority of species and pathologies.

Image 1. Virbac/Creso veterinary product range expansion



Switzerland

Creso is happy to announce the launch of the newly formulated anibidiol® Relax and anibidiol® Plus products into the Swiss market. These add to existing product range and further support the behavioral balance of the pets optimising the relaxation and strengthening of the pets' immune systems. The newly developed line extensions have been created in response to customer needs.



The anibidiol® range has been developed to Good Manufacturing Practice standards and is produced in Switzerland by Creso's partner, Swiss-based food and pharma development company, Domaco, Dr. med Aufdermaur AG (Domaco) to the highest Swiss quality with a "Swiss Made" label.

Rolf Heeb, Managing Director of Virbac Switzerland said: "We have been assured by interest from veterinarians that this was the right move and the right time to launch Creso's veterinary products. Veterinarians and pet owners have shown a great interest for the product since its initial launch in Switzerland and Liechtenstein."

The estimated global animal healthcare market was valued at USD 35.9 billion in 2017 and is projected to grow at a CAGR of 4.3 percent over the 2017-2027 period.² In the US, the World's largest market, about 33 percent of dog owners and 20 percent of cat owners use supplements.³ Additionally, the global pet food nutraceutical market alone is estimated to reach a value of USD 8.25 billion by 2023.⁴

Said Creso Pharma Co-Founder and Chief Executive Officer Dr. Miri Halperin Wernli: "We are delighted to grow the footprint of our collaboration with Virbac globally, after seeing such a promising start in Switzerland.

"Our experience in the market shows that our veterinary products respond to a real need and have a positive effect on behaviour in pets. In particular, senior dogs and cats benefit enormously as they are more likely to develop behavioural issues due to a combination of health issues and natural ageing issues, including muscle and organ degeneration.

"This new agreement with Virbac sets a strong foundation for Creso to progress further into the international market," she said.

-ENDS-

² Animal Healthcare Market: Rising Trend of Pet Adoption to Drive Market Growth: Global Industry Analysis 2012-2016 and Opportunity Assessment 2017-2027

<https://www.futuremarketinsights.com/reports/animal-healthcare-market>

³ "Pet Medications in the US", 5th Edition (2015)

<https://www.reportbuyer.com/product/3391757/pet-medications-in-the-u-s-5th-edition.html>

⁴ Pet Food Nutraceutical Market - Segmented by Pet Type, Function, Ingredient, and Geography - Growth, Trends and Forecast (2018 - 2023) Published MAR 2018

<https://www.mordorintelligence.com/industry-reports/global-pet-food-nutraceutical-market-industry>



Notes to editors: Creso Pharma has a portfolio covering five key areas of focus: Creso Therapeutics, Creso Nutraceuticals, Creso Animal Health, Creso Lifestyle and Creso Topicals.

For further information visit www.cresopharma.com

About Creso Pharma

www.cresopharma.com

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

About Virbac

<https://corporate.virbac.com/home-en.html>

<https://www.virbac.ch/de/>

Virbac is an independent pharmaceutical laboratory dedicated to animal health, since its beginning. Currently the world's 7th largest animal health company with presence in more than 100 countries with more than 4,800 employees and sales subsidiaries in 33 countries. Virbac offers a comprehensive and practical range of products and services covering the majority of species and pathologies.





About Domaco, Dr. med Aufdermaur AG

www.domaco-pharma.com

Domaco, Dr. med Aufdermaur AG is a Swiss-based food and pharma development company that owns the rights to a number of innovative delivery systems used to administer active ingredients through galenic forms which is a way of preparing and compounding medicines in order to optimise their absorption.

Forward Looking statements

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

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

Corporate Queries:

EverBlu Capital
Level 39, Aurora Place
88 Phillip Street, Sydney NSW 2000
E: info@everblucapital.com
P: +61 2 8249 000