



ASX Announcement

24 January 2019

Creso Raises \$3 million in Institutional Placement

Creso Pharma Limited (ASX: “CPH”, the “**Company**” or “**Creso**”) is pleased to announce that it has successfully raised \$3 million in a placement to institutional and sophisticated investors (“**Placement**”).

Under the terms of the Placement, the Company will issue 6,666,667 fully paid ordinary shares in the capital of the Company at \$0.45 per share, together with one free attaching listed (ASX:CPHO) option (\$0.80, 21 August 2020) for every 3 shares subscribed for under the Placement.

The Company expects to complete the Placement and issue the securities on Tuesday, 29 January 2019. The securities will be issued pursuant to the Company’s existing placement capacity under ASX Listing Rule 7.1 accordingly no shareholder approval will be required.

The Placement was managed by Everblu Capital Pty Ltd (“**EverBlu**”), who will receive a fee of 6% of the total funds raised. No related parties, employees or associates of EverBlu participated in the Placement.

As a result of director, Adam Blumenthal’s relationship with EverBlu, the Company confirms that the fees payable to EverBlu were negotiated on an arm’s length basis, and the Company is satisfied that the fees paid to EverBlu were the best the Company was able to negotiate in an efficient and expedient manner. The funds raised will be used to accelerate sales and marketing efforts of its human and animal products in Europe and Canada, repay a portion of its debt and to fund the expenses of the Placement.

The Placement received strong interest from institutional and sophisticated investors and the Company wishes to take this opportunity to thank investors for their ongoing support. For the avoidance of doubt, Creso confirms that no related parties or their associates participated in the Placement.

**About Creso Pharma Ltd**

(www.cresopharma.com)

Creso 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.

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.

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