

ASX Announcement

29 November 2019

## Placement under ASX Listing Rule 7.1A

**Creso Pharma Limited (ASX:CPH) ('Creso Pharma' or 'the Company')** is pleased to announce the successful completion of a placement of 8,299,271 fully paid ordinary shares in the capital of the Company ('**Shares**') to professional and sophisticated investors at an issue price of \$0.191 per Share to raise up to approximately \$1,585,161 ('**Placement**'). The Shares were issued under the Company's existing placement capacity pursuant to Listing Rule 7.1A.

Accordingly, the Company provides the following information in accordance with ASX Listing Rules 3.10.5A and 7.1A.4(B).

- a) The dilutive effect of the Placement on existing shareholders is set out in the table below:

	Shares	Dilution (%)
Shares on issue prior to the Placement	164,717,979	
Shares issued under Listing Rule 7.1A capacity	8,299,271	4.80%
<b>Total</b>	<b>173,017,250</b>	<b>4.80%</b>

- b) The Company conducted the Placement rather than a pro-rata issue or other type of issue in which existing security holders would have been eligible to participate, as it was considered to be the quickest, most efficient and most certain method of raising funds in the circumstances.
- c) The Placement was not underwritten.
- d) EverBlu Capital Pty Ltd (ACN 612 793 683) (AFSL 499601) (**EverBlu Capital**) was appointed as lead manager to the Placement, and is entitled to receive:
- i) a capital raising fee of 4% of the gross proceeds raised under the Placement (being a fee of \$63,406);
  - ii) a management fee of 2% of the gross proceeds raised under the Placement (being a fee of \$31,703); and
  - iii) subject to shareholder approval being obtained, the issue of an aggregate of 528,387 Shares and 528,387 Options (3-year term, \$0.35 exercise price), on the basis of one Share for every \$3 raised under the Placement, together with one Option for every Share issued.



The Company confirms that the agreement between the Company and EverBlu Capital was entered into on arm's length terms.

**Ends.**

**Investor Enquiries**

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**About Creso Pharma**

Creso Pharma Limited (ASX:CPH) brings the best of cannabis to better the lives of people and animals. It brings pharmaceutical expertise and methodological rigor to the cannabis world and strives for the highest quality in its products. It develops cannabis and hemp derived therapeutic, nutraceutical, and life style products with wide patient and consumer reach for human and animal health. Creso 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. To learn more please visit: [www.cresopharma.com](http://www.cresopharma.com)

**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.