



ASX Announcement

13 May 2020

Update on Mernova Sales Licence announced 11 May 2020

Creso Pharma Limited (ASX:CPH) ('Creso Pharma' or 'the Company') refers to the announcement dated 11 May 2020 titled "Mernova Receives Retail Sales Licence from Health Canada" (**Original Announcement**).

The Original Announcement confirmed the grant of a Sales Licence from Health Canada to Creso Pharma's related body corporate, Mernova Medicinal Inc (**Mernova**) (**Sales Licence**).

The Company confirms it is yet to finalise its due diligence on the legality of selling under the Sales Licence which will include obtaining a legal opinion on the activities to be conducted under the Sales Licence to the satisfaction of ASX.

The Company confirms that, since the grant of the Sales Licence, no member of the Creso Pharma Group has taken any action in respect of any activities authorised by the Sales Licence.

Further the Company has formally undertaken to ASX that no member of the Creso Pharma Group will take any other action in relation to the activities authorised by the Sales Licence unless and until ASX is provided with and satisfied with the requested legal opinion.

The Company is in the process of completing its due diligence and obtaining the relevant legal opinion and will keep the market fully informed in respect of the status of ASX review once obtained. Based on the Company's legal advice to date, it is confident that it can obtain the required legal opinion within a week of this announcement, however given the Company's undertaking not to act on the Sales Licence, the Company advises investors should not rely on the Original Announcement in making investment decisions.

Ends

Authority and Contact Details

This announcement has been authorised for release by the Board of Creso Pharma Limited.

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