

ASX Announcement

31 October 2016

## **CRESO SECURES EARLY REVENUES THROUGH FIRST COMMERCIAL DISTRIBUTION AGREEMENT**

### **Highlights:**

- Creso signs first distribution agreement that will bring immediate revenue and cash flow.
- The agreement with MEDI-IN s.r.o. will see the Company's bottled, hemp extract based food supplement "CBDium" distributed in the Czech Republic via 300 + retail outlets.
- Distributor is undertaking comprehensive marketing campaign to sell CBDium in the Czech Republic initially.
- The agreement is the first of a number of partnerships that will see CBDium distributed to multiple markets.
- MEDI-IN s.r.o. is one of the leading distributors in Slovakia and the Czech Republic with distribution channels to hospitals and pharmacies.

**Creso Pharma Limited** (ASX: CPH, the "Company") is pleased to announce that it has signed its first distribution agreement with MEDI-IN s.r.o. for the Company's self-produced food supplement hemp product, 'CBDium', which will be sold initially in the Czech Republic.

'CBDium' is a hemp based extract that supports health and general wellness. It is anticipated that orders will soon follow, ensuring constant supply in the designated territory.

'CBDium' is the first product, developed by Creso, to be released to market.

Creso continues to develop its nutraceutical therapeutic products (CBD-rich nutritional supplements supporting and enhancing healthy physiological balance) in Switzerland for both the human and animal segments. These products will be delivered via proprietary and innovative delivery technologies enabling standardized dosing and formulation of phytocannabinoids (cannabis/hemp sourced compounds).

As part of the agreement, MEDI-IN s.r.o. is committed to perform extensive marketing activities relating to the sale of 'CBDium' in the Czech Republic – including but not limited to E-commerce and direct marketing to retail stores.

MEDI-IN s.r.o. is a first tier distributor with experience in supplying natural medications, as well as medical equipment to hospitals, pharmacies, sports and food stores.

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ABN: 89 609 406 911

“This agreement was only made possible through Creso Pharma's acquisition of Slovakia-based Hemp-Industries and it marks an important milestone for the Company. This relationship brings both immediate revenue and cash flow to our newly listed Company, as well as first exposure in an EU market for our products” said Creso’s Chairman and co-founder Boaz Wachtel.

“We anticipate strong demand for our products and rapid growth in the European market. The agreement with MEDI-IN s.r.o. is the first as the company is committed to developing further partnerships to expand our distribution network of 'CBDium' into additional markets.”

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**About Creso Pharma**

Creso Pharma will lead the field of cannabis derived therapeutic grade nutraceutical products for human and animal health. By focusing on unique and innovative product delivery mechanisms, Creso Pharma is developing cannabis and hemp therapeutic products, manufactured to the highest pharmaceutical GMP standard and delivered to the highest quality levels across the supply chain. Creso is the leader in cannabidiol (CBD) innovation.

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