



ASX Announcement

12 October 2020

Second purchase order ('PO') from Pharma Dynamics highlights growing opportunities in South Africa

Highlights

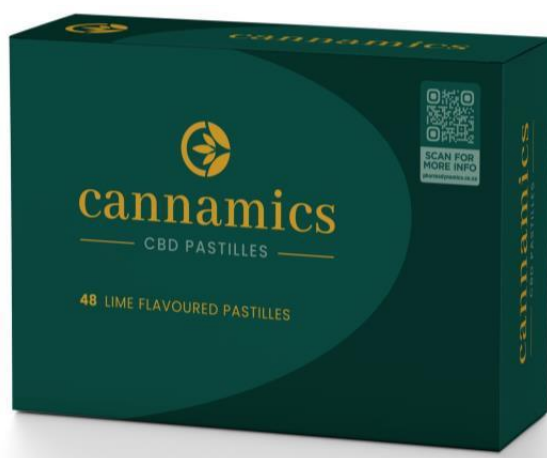
- **PO valued at CHF 194,300 (~A\$295,000) secured for cannaQIX® product - sold under the 'Cannamics' brand in South Africa**
- **Follows product launch in May 2020 and highlights opportunities in Africa**
- **Bolsters Creso Pharma's growing revenue profile - A\$630,000 in total POs generated from South Africa.**
- **Multiple expansion initiatives pending with additional near term POs anticipated**

Creso Pharma Limited (ASX:CPH, FRA:1X8) ('Creso Pharma' or 'the Company') is pleased to advise that it has strengthened its revenue profile, following the receipt of a purchase order ('PO') from Pharma Dynamics South Africa, a subsidiary of Lupin Limited (NYSE: LUPIN), valued at CHF 194,300 (~A\$295,000).

This is the second purchase order from the group for Creso Pharma's cannaQIX® product, which is being sold under the 'Cannamics' brand in South Africa.

The second PO follows the company's successful launch into the South African market through Pharma Dynamics and the delivery of first shipments which occurred in March 2020 (refer ASX announcement: 26 March 2020).

Pharma Dynamics successfully launched the cannaQIX® regular product under the brand name "Cannamics" during Q2 in South Africa.





Pharma Dynamics, a subsidiary of Lupin Limited (NSE:LUPIN), is a leading pharmaceutical company in South Africa and is ranked as the fifth largest generic pharmaceutical company in SA. Pharma Dynamics provides high quality generic medicines at affordable prices and is well known for its investment into innovative wellness programs that “go beyond the pill” in helping patients manage their conditions and improve treatment outcomes. Its growing range of over-the-counter products include medications for cold and flu, allergy, and digestion, as well as immune booster wellness products. Their products are consistently prescribed and recommended by leading doctors and pharmacists countrywide.

Pharma Dynamics distributes Creso Pharma’s hemp-based products across South Africa, with plans to extend the distribution to Namibia, Botswana, Zimbabwe, Swaziland, Lesotho, Angola, Mozambique and Uganda.

The Company anticipates that additional opportunities will materialise in Africa through its established partner in the region. Creso Pharma is also witnessing a robust business development pipeline grow, which will assist the company in securing additional purchase orders through its ongoing global expansion initiatives. Additional purchase orders from a number of parties are pending, which will further underpin the Company’s growing revenue profile.

Management Commentary

Non-Executive Chairman, Mr Adam Blumenthal, said: “Securing this latest purchase order with Pharma Dynamics is a significant development and highlights the multiple opportunities we are witnessing in the region. Creso Pharma is beginning to see a trend in repeat orders from its clients globally which reinforces Cresos high quality products”

“We have worked to cultivate strong business development relationships with partners such as Pharma Dynamics, and look forward to providing further updates on near term initiatives.

“The demand for our product on a global scale vindicates the market share initiatives we have put in place, and the recent sales in Africa and Canada shows that this strategy is not only growing the Company’s footprint but also generating significant revenue. We look forward to further capitalising on these opportunities in the near-term.”

Pharma Dynamics CEO, Erik Roos added: “We are very happy to benefit from a very successful launch of Cannamics in South Africa, laying the foundation for the successful expansion into the other African countries that we serve. So far, customers report an excellent experience with Cannamics in terms of enhancing daily quality of life.”

-Ends-

**Authority and Contact Details**

This announcement has been authorised for release by the Creso Board

For further information, please contact:

Investor / Media Queries:

Ben Jarvis
Six Degrees media
0413 150 448

Investor Enquiries

EverBlu Capital
E: info@everblucapital.com
P: +61 2 8249 0000

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 Pharma uses GMP (Good Manufacturing Practice) 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

About Pharma Dynamics

Pharma Dynamics is among the top ten pharmaceutical companies in South Africa (SA) with a well-established footprint spanning across several African countries. Since 2012, it maintains its position as the biggest supplier of cardiovascular pharmaceuticals in SA, both in terms of value and volume. It boasts with a range of products across therapeutic areas including cardiovascular (CVS), central nervous system (CNS), gastrointestinal and men's health therapies. In 2013, it entered the SA antimicrobial market, supplying IV antibiotics to hospitals. The firm's over-the-counter (OTC) product portfolio is also growing and includes antihistamines and allergy treatments, cold & flu medication and heartburn treatment, among others. Pharma Dynamics is wholly owned by Lupin Laboratories, the fourth largest generic pharmaceutical company globally by market capitalisation.

About Domaco, Dr. med Aufdermaur AG

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.

To learn more please visit: www.domaco-pharma.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.