



ASX Announcement

14 October 2020

Creso Pharma continues to benefit from medicinal cannabis uptake in Israel

Highlights:

- **Recent data from Israeli Medical Cannabis Agency and Ministry of Health highlights significant market opportunity**
- **Medicinal cannabis patients in Israel have doubled in the last two years to over 70,000 per monthⁱ**
- **Flower is the most prescribed formulation, followed by extracts and oils – Israel now the world’s biggest importer of medicinal cannabis flowerⁱⁱ**
- **Rapidly growing Israeli market provides an exciting opportunity for Creso Pharma which will aim to leverage existing in country relationships to accelerate growth**

Creso Pharma Limited (ASX:CPH, FRA:1X8) ('Creso Pharma' or 'the Company') is pleased to note recent data released by the Israeli Medical Cannabis Agency ("IMCA") highlighting a significant recent increase in medicinal cannabis uptake from patients in the country.

IMCA forms part of Israel's Ministry of Health shows that the number of authorised medicinal cannabis patients in Israel has more than doubled over the past two years to over 70,000 per month. Further, medicinal cannabis flower is the most common form of cannabis prescribed followed by extracts and oils.

Israel is an important market for Creso Pharma, and the Company is confident that it can continue to benefit from the rapid uptake of medicinal cannabis amongst Israeli patients. The Company entered into the Israeli market in April 2020, following the receipt of a C\$775,000 purchase order from one of Israel's leading medicinal cannabis company's Univo Pharmaceuticals Ltd ("Univo") (TLV: UNVO) through wholly owned subsidiary Mernova Medicinal Inc ("Mernova") (refer ASX announcement: 1 April 2020).

Creso has since received a second purchase order from Univo for its premium, cured and hand-trimmed dried medicinal cannabis flower, valued at US\$625,690 (refer ASX announcement: 10 July 2020).

Further expansion into Israel remains a strong focal point and the Company will continue to monitor the evolving legislative environment, as it progresses a number of business development initiatives to accelerate growth into this market.



Management commentary:

Non-Executive Director and Head of Technology, Innovation and Distribution, Miri Halperin Wernli said: *“The data coming out of the IMCA is tremendously encouraging and highlights the considerable potential that Creso Pharma has in this rapidly growing market.*

“Israel is widely recognised as one of the most active and more progressive cannabis markets globally and the Company is very confident it can continue to build on its existing partnership with Univo as it look to capture a larger market position.

“Management are continuing to progress a number of business development initiatives in Israel and have several value catalysts on the horizon. We look forward to providing updates in the near term.”

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Authority and Contact Details

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

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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 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

**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.

ⁱ <https://mjbizdaily.com/israel-medical-cannabis-patient-count-hits-record-as-imports-soar/>

ⁱⁱ <https://mjbizdaily.com/israel-passes-germany-as-worlds-largest-importer-of-medical-cannabis-flower/>