



11 February 2022

## **Creso Pharma to develop new hemp-based lozenge product to broaden product suite and international opportunities**

### **Highlights:**

- **New product will be hemp-flour based and contain cannabidiolic acid (“CBD-A”)**
- **CBD-A is a chemical precursor to cannabidiol (“CBD”) and has shown potential therapeutic benefits**
- **Product under development to be sold as a food supplement in Europe and other markets**
- **Creso Pharma to leverage internal expertise and technology to expedite product development**
- **First samples anticipated this quarter with launch expected in H2 CY2022**
- **Development initiatives follow a study completed at Oregon State University highlighting that hemp compounds prevent the virus that causes COVID-19 from entering human cells<sup>i,ii</sup>**
- **CBD-A has also been shown to stop the SARS-CoV-2 (“Severe Acute Respiratory Syndrome Coronavirus 2”) virus’ spike protein from binding to and infecting a human cell<sup>i,ii</sup>**
- **New hemp-based lozenge has the potential to form the basis of a new product range, which can be sold through the Company’s existing operations in Europe and international global markets**

**Creso Pharma Limited (ASX:CPH, OTC:COPHF, FRA:1X8) (‘Creso Pharma’ or ‘the Company’)** is pleased to advise that it is in final stage of development for a new hemp-based lozenge product, based on cannabidiolic acid. CBD-A is a precursor to cannabidiol, which has shown strong therapeutic benefits with initial data suggesting that it may stop the SARS-CoV-2 (“COVID-19”) virus’ spike protein from binding to and infecting a cell<sup>i,ii</sup>.

The new product will be commercialised and sold as a food supplement in Europe and Latin American markets. The Company has existing relationships in these regions that will provide a strong foundation for potential sales growth.

Creso Pharma anticipates that it will have initial samples in hand to promote during the current quarter, with product available soon thereafter. The Company will leverage its existing product suites, including cannaQIX, as well as its in-house capabilities and technology to progress the development process.

Once the new product line is established, the Company will take steps to introduce a range of new delivery methods for consumers.

Development of the new product follows a recently completed study by Oregon State University via a chemical screening technique invented by the organisation, that highlighted hemp compounds show the ability to prevent the virus that causes COVID-19 from entering human cells<sup>i,ii</sup>.

Oregon State University’s initiative identified that CBD-A possessed the proper molecular make-up to suggest that it could stop the SARS-CoV-2 virus’ spike protein from binding to and infecting a cell<sup>i,ii</sup>.



The Company notes, however, that it has not undertaken any independent studies on the efficacy of its new lozenge product in the treatment of SARS-CoV-2, and therefore makes no therapeutic claims in this regard.

**CEO and Managing Director, Mr William Lay said:** *“Creso Pharma has a strong track record of introducing innovative, new products and we are confident that the development of this new hemp-flour based lozenge will become the basis for the Company to launch another strong product range which can be sold across international markets.*

*“As the CBD and hemp sector continues to expand at a rapid pace, Creso Pharma remains well placed to capitalise their portfolio. Once the development is completed, the Company will begin selling the new products through existing operations in Europe and through our recently acquired US business division.”*

**-Ends-**

### **Authority and Contact Details**

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

For further information, please contact:

### **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 lifestyle 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](http://www.cresopharma.com)

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## 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.

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<sup>i</sup><https://today.oregonstate.edu/news/oregon-state-research-shows-hemp-compounds-prevent-coronavirus-entering-human-cells>

<sup>ii</sup> <https://www.forbes.com/sites/ajherrington/2022/01/11/study-finds-cannabis-compounds-prevent-infection-by-covid-19-virus/amp/>