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Creso Pharma's wholly-owned Canadian subsidiary, Mernova Medicinal Inc. receives maiden order for new strains, increases cannabis yields and gains acclaim at national cannabis competition

Highlights:

- **Mernova has received its first Purchase Order ("PO") for new Mac 1 and Grape Cream Cake strains from the province of Saskatchewan**
- **The Introduction of new strains is important to the Company's strategy for market development and brand awareness growth**
- **Recent *Lemon Haze* strain harvest has yielded 47.5 kilograms – marking a 84% increase on the average volume of the 24 previous harvests**
- **The increase follows recent upgrades to the Company's grow rooms, including new lighting and irrigation systems and investment in more nutritional products**
- **Increased yield expected to lead to a lower cost per gram growing cost and provides Creso Pharma with increased inventory to progress province sales**
- **Mernova secures third place in Cannabis NB Cup for its Black Mamba strain**
- **Cannabis NB Cup is a national competition that seeks cannabis strains from Canada's best growers which are then judged by a panel of 600 people**
- **Third place in the competition will provide additional marketing collateral, increased brand awareness for the *Ritual Green* range and broader market visibility**

Creso Pharma Limited (ASX:CPH, OTC:COPHF, FRA:1X8) ('Creso Pharma' or 'the Company') is pleased to provide the following update on activities undertaken by wholly-owned Canadian subsidiary Mernova Medicinal Inc. ("Mernova").

Initial purchase order secured for new *Ritual Green* strains:

Creso Pharma secured an additional purchase order ("PO") from the province of Saskatchewan, one of Mernova's newest provincial markets, which included orders for the new strains, Mac 1 and Grape Cream Cake in a 3.5g dried flower format.

The maiden order value for the new strains is ~C\$13,680 of the total recent PO of ~C\$68,000 from the province of Saskatchewan. Regular introduction of new strains is important to the Company's strategy to develop further presence in existing and new markets. Creso Pharma is in discussion with existing province partners for further supply of these new strains as well as the launch of its new *Ritual Green* strain, Monkey Berries and planned vape product.

Significant increase in cannabis yields:

Mernova is pleased to advise that it has further increased cannabis yields at its state of the art, 24,000 sq. ft. cannabis cultivation facility in Nova Scotia, Canada. The Company has recently completed a harvest of its *Lemon Haze* strain, which is sold under the *Ritual Green* brand.



The latest cultivation follows upgrades to the Company's grow rooms (refer ASX announcement: 21 March 2022) and has yielded 47.5 kilograms, which highlights an 84% increase on the 24 previous harvest average volumes of 25.8 kilograms.

The recent harvest and increased yield highlights the successful implementation of Creso Pharma's strategy to bolster its total cannabis dried flower for sale, while reducing cost of growing on a per gram basis.

Recognition in the Cannabis NB Cup:

Creso Pharma is also pleased to advise that it has recently secured a top three placing at the Cannabis NB Cup, providing additional recognition of the Company's leading *Ritual Green* products.

The Cannabis NB Cup is a national competition, where cannabis producers are requested to submit their top products to the province of New Brunswick. The products are then distributed via 600 judging kits which include 3.5 g of product from eight different producers, alongside a judging book.

Mernova submitted its Black Mamba strain in the indica category, which achieved a third place finish. The results of the competition provide further credibility to the quality that the *Ritual Green* brand is built on, as well as providing marketing collateral and brand awareness.

Management commentary:

CEO and Managing Director, Mr William Lay said: *"To have successfully increased plant yield by an average of 84% in our most recent Lemon Haze harvest is evidence that our recent investment in grow room upgrades are leading to a lower cost per gram benefit and have the potential to lead to higher margin sales."*

"Increasing our strain offering is important for our growth as we strive to penetrate existing markets further, as well as entering new markets. Finally, the award received in the Cannabis NB Cup for our Black Mamba strain underpins the emphasis that we place on product quality as the core attribute of our product offering."

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Authority and Contact Details

This announcement has been authorised for release by the Disclosure Committee 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

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Forward Looking statements

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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.