



ASX Announcement

9 August 2017

Market update

Highlights:

- **Following the acquisition of Mernova Medicinal Inc., Creso initiates a search for a Canadian CEO to join the global executive team**
- **Appointment of Dr. Stu Fillman as Australian-based Medical Manager to focus on medicinal cannabis**
- **Executive Chairman and Co-Founder, Boaz Wachtel to move to Non-Executive Chairman role following Creso's recent growth and expansion of its executive and leadership team**

Creso Pharma Limited (ASX:CPH, the "Company" or "Creso") is pleased to provide a market update following its recent acquisition of emerging medicinal cannabis producer, Mernova Medicinal Inc. (Mernova).

Establishment of Canadian executive team

Creso has established an executive team for its Canadian operations following the acquisition of Mernova, comprising of:

- Creso CEO & Co-Founder, Dr Miriam Halperin Wernli;
- Creso Chief Operating Officer, David Russell;
- Creso Director & Co-Founder, Adam Blumenthal; and
- Mernova Medicinal Inc. CEO, Bill Fleming.

Creso is also currently conducting a recruitment process for a Chief Executive Officer (CEO) for its Canadian operations. The appointment of a CEO for Creso's Canadian business is a critical step for the Company's presence in the growing and well-regulated Canadian market.

The new CEO will be responsible for overseeing Canadian operations and Creso's planned Good Manufacturing Process (GMP) cultivation facility and its state-of-art CO2 extraction facility in Canada as well as the development and manufacture of the Company's innovative medicinal cannabis products for the Canadian market. The CEO will also be responsible for pursuing commercial opportunities in the Canadian medicinal and the recreational cannabis space, with the latter expected to be legalised from July 1, 2018.

The Creso executives will be conducting a due diligence trip to Canada over the next few weeks, visiting the Mernova site ahead of Mernova's plans to construct a 20,000 square foot medicinal cannabis growing facility and establishing the Creso Canada subsidiary.



Appointment of Australian Medical Manager

Creso has also bolstered its local medical and pharmaceutical expertise, with the appointment of Dr. Stu Fillman as its Australian-based Medical Manager. In his role, Dr. Fillman will be responsible for driving commercial partnerships with pharmaceutical companies as well as overseeing medicinal cannabis in Australia and supporting the Company's planned clinical trials in animal and human health.

Dr. Fillman brings a wealth of expertise to the role, with more than 10 years academic and commercial experience in the fields of neuroscience and psychiatry. Most recently, he was the National Screening Manager for Rare Diseases at Sanofi Genzyme – the rare diseases arm of global healthcare giant, Sanofi S.A. (EPA:SAN, EUR103 billion market cap).

Prior to this, he was Medical Liaison for Rare Diseases at Sanofi Genzyme and also a Research Officer at the Schizophrenia Research Laboratory and Conjoint Associate Lecturer at the University of New South Wales.

Dr. Fillman holds a PhD in Psychiatry from the University of New South Wales, an MSc in Neuroscience from McMaster University, Ontario, Canada, and a BSc Biological Sciences from the University of Guelph, Ontario. Dr. Fillman was also awarded the Dean's Rising Star Award for Outstanding Post-Doctoral Research at the University of New South Wales in 2013 and the Dean's List Award for Outstanding Research in Medicine at the University of New South Wales in 2011.

Boaz Wachtel to become Non-Executive Chairman

Following Creso's recent growth and expansion of its executive and management team, the Company's Executive Chairman and Co-Founder, Boaz Wachtel will become Non-Executive Chairman.

Mr Wachtel remains committed to the Creso group of companies and looks forward to continuing to provide advice and counsel to the Board.

"We look forward to continuing to work with Boaz in his Non-Executive Chairman role and also to appointing a new CEO for our Canadian operations," said Creso Chief Executive Officer, Dr Miriam Halperin Wernli.

"The new Canadian CEO will have an important strategic role in overseeing our planned cultivation and manufacturing facilities in Canada and the development and manufacturing of our future innovative medicinal cannabis products. The appointment will also help Creso pursue further opportunities in the Canadian market, when it comes to both local distribution and exporting to other countries such as Australia that already accept medicinal cannabis imports."

Creso Chief Operating Officer, David Russell added: "We also welcome Stu Fillman as our new Medical Manager here in Australia. Stuart brings a wealth of neuroscience and pharmaceutical management experience to the role and will greatly assist us in both our clinical development and commercialisation efforts in the emerging medicinal cannabis arena."



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About Creso Pharma

Creso Pharma brings pharmaceutical expertise and methodological rigour to the world of medicinal cannabis and strives for the highest quality in its products. It is the leader in medicinal cannabis and cannabidiol (CBD) innovation and develops cannabis- and hemp-derived therapeutic-grade nutraceuticals and medicinal cannabis products with wide patient and consumer reach for human and animal health. Creso uses GMP 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.