

CRONOS

A U S T R A L I A

ADAYA MEDICINAL CANNABIS RANGE SALES REVENUE UPDATE

90% QUARTER-ON-QUARTER GROWTH FOR FIRST QUARTER FY2022

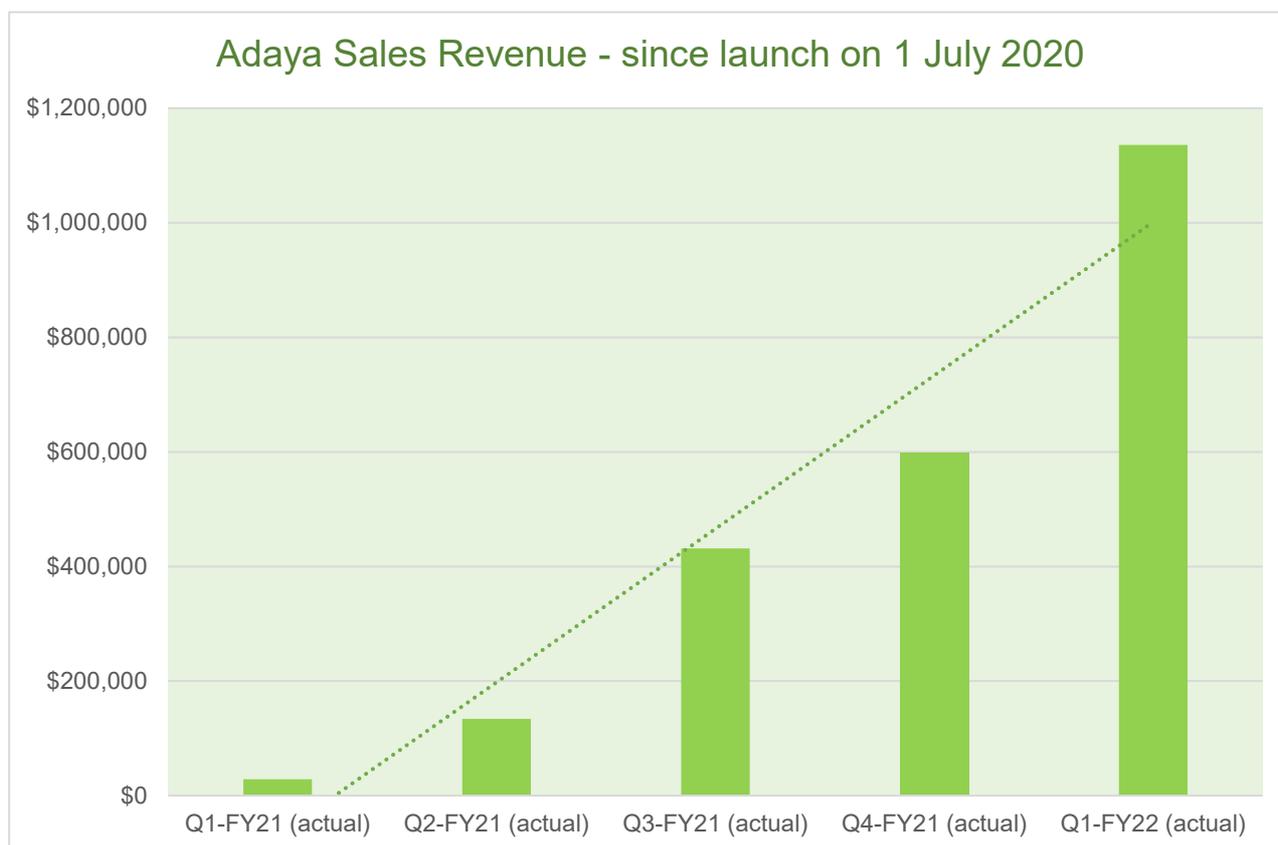
- 90% quarter-on-quarter revenue growth for Adaya medicinal cannabis products in the first quarter of FY2022
- Sales of Adaya medicinal cannabis products in the first quarter of FY2022 exceed \$1.1m, compared with \$1.2m for the full previous year of FY2021
- Launch of Adaya 25:25 medicinal cannabis oil increases range to 8 products including THC19 and Adaya THC30 whole flower products
- Ongoing engagement with doctors through Cronos Australia sponsored, RACGP accredited, Praxhub hosted webinars, which offer doctors RACGP Continuing Professional Development (CPD) points

Melbourne, Australia, 15 October 2021 – Cronos Australia Limited (ASX:CAU, “Cronos Australia” or the “Company”) is pleased to confirm sales revenue figures for its Adaya range of medicinal cannabis products for the first quarter of FY2022.

Adaya sales update

The Adaya range was launched on 1 July 2020 and has resonated positively with both patients and healthcare professionals. Results include:

- 90% quarter-on-quarter revenue growth for Adaya medicinal cannabis products in the first quarter of FY2022
- Sales of Adaya medicinal cannabis products in the first quarter of FY2022 exceed \$1.1m, compared with \$1.2m for the full previous year of FY2021



Launch of Adaya 25:25 medicinal cannabis oil

Cronos Australia intends to launch additional Adaya products in the coming months, including the new Adaya 25:25 THC:CBD-balanced Medicinal Cannabis Oil in a 50ml tincture, with an expected launch in November 2021. This product will assist in the on-going treatment of new and established patients who require a higher strength and balanced product. Adaya 25:25 will be sold at an affordable price per milligram of active ingredient, underpinning the importance of accessibility to Adaya products for consumers.

The expanded Adaya range will comprise the following 8 products:

- Adaya THC 30 – THC-dominant Medicinal Cannabis Whole Flower (10-gram pack)
- Adaya THC 19 – THC-dominant Medicinal Cannabis Whole Flower (10-gram pack)
- Adaya 1:25 – CBD-dominant Medicinal Cannabis Oil (30ml tincture)
- Adaya CBD 100 – CBD-only Medicinal Cannabis Oil (30ml tincture)
- Adaya 20:1 – THC-dominant Medicinal Cannabis Oil (30ml tincture)
- Adaya THC 26 – THC-only Medicinal Cannabis Oil (50ml tincture)
- Adaya 10:10 – THC:CBD-balanced Medicinal Cannabis Oil (30ml tincture)
- Adaya 25:25 – THC:CBD-balanced Medicinal Cannabis Oil (50ml tincture)

All Adaya products, have been specifically developed based on feedback from Australian patients and healthcare professionals, with all products being:

- Australian-Grown (excluding the Adaya CBD 100);
- Australian-Manufactured to GMP standards;
- Value-priced, to prioritise patient accessibility and affordability; and
- Widely available through distributors and pharmacies nationwide to ensure no stock outs, which could negatively impact patients treatment and experience with the product.

Continuing doctor engagement via Cronos Australia sponsored, RACGP accredited, Praxhub hosted webinars

Cronos Australia has delivered two RACGP Praxhub (www.praxhub.com) webinars since the start of the financial year, where attendees can claim RACGP-accredited Continuing Professional Development (CPD) points:

- “Sleep and the role of Medicinal Cannabis” – held on 1 September 2021
- “Medicinal Cannabis: Role in Digestive Diseases” – held on 29 September 2021

Two future webinars are scheduled:

- “Medicinal Cannabis Whole Flower Masterclass” – to be held on 20 October 2021
- “Cannabinoids to treat severe behavioral problems in children and adolescents with intellectual disabilities and autism” – to be held on 23 November 2021

Additional webinars are planned for the second half of the financial year. Healthcare professionals can find out more information on the Adaya Medicinal Cannabis range and view all previous webinars on-demand by registering at www.adaya.co.

“The continued growth of our Adaya range is reinforced by our team’s deep understanding of the needs and preferences of patients and the clinical outcomes healthcare professionals are seeking. Moreover, the strong 90% quarter-on-quarter growth in sales during first quarter of FY2022 of our Adaya range since launch, is validation of our strategy to ensure patients can access affordable Australian medicinal cannabis products,” said Cronos Australia Chief Executive Officer, Rodney Cocks.

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About Cronos Australia Limited

The vision of Cronos Australia is to become a leading health and wellness company in the Asia Pacific region through the creation and distribution of premium medical and consumer cannabinoid products and services. The Company's largest shareholder is Cronos Group Inc. (NASDAQ:CRON; TSX:CRON). Cronos Australia Limited is listed on the ASX (ASX:CAU).

- Cronos Australia distributes the Adaya and PEACE NATURALS™ ranges of medicinal cannabis products nationwide in Australia through medical practitioners via the Special Access Scheme and Authorised Prescribers.
See www.adaya.co
- Cronos Australia owns 75.5% of Cannadoc Health Pty Ltd, a medicinal cannabis clinic business that undertakes face-to-face and nationwide telehealth consultations with patients seeking access to medicinal cannabis.
See www.cannadoc.com.au and www.cannadoc.co.nz
- Cronos Australia has established operations in Hong Kong and Japan for the development of ranges of cannabinoid brands and products and their distribution into global consumer markets. The current three ranges of products are Bathing Shed, FCTR and Saiph.
See www.bathingshed.com, www.getfctr.com and www.saiphlife.com
- Cronos Australia has a 50/50 joint venture with A&S Branding, the founders of Sukin Organic Skincare, for the development of CBD products for sale in domestic and export markets.

Merger announced with CDA Health Pty Ltd

On 14 September 2021, Cronos Australia announced a merger with CDA Health Pty Ltd, which is expected to close, subject to shareholder and other approvals, in late 2021.

Authorised by

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Forward-looking statements

This announcement may include forward-looking statements. These forward-looking statements are based on Cronos Australia's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Cronos Australia, which could cause actual results to differ materially from such statements. Cronos Australia makes no undertaking to update or revise the forward-looking statements made in this announcement to reflect any change in circumstances or events after the date of this announcement.