



Shareholder Update and Response to COVID-19

Melbourne, Australia, 25 March 2020 - Cronos Australia Limited (ASX : CAU, "Cronos Australia" or "Company") releases the following update in response to COVID-19 and other matters pertaining to the Company's activities.

- Doctors in our 51%-owned Cannadoc business have now transitioned to 100% telehealth consultations and continue to see new and existing patients via this medium. Positive feedback has been received in relation to this service and it is an area for potential growth. Face to face consultations will resume in line with Government COVID-19 health advice.
- PEACE NATURALS™ medicinal cannabis products are being prescribed to patients via the Therapeutic Goods Administration's Special Access Scheme. At this time, our supply chain remains largely unaffected by the prevailing COVID-19 situation.
- Brand and product development have commenced in our Asia and CBD Joint Venture businesses.
- The Company is well capitalised, having in excess of \$16 million in cash and cash equivalents at the end of February. We have nominal current debts. We are actively monitoring our cash flows across all areas of our business.

We will continue to provide updates to the ASX and our external stakeholders, as necessary – and we thank our shareholders for their continued support of the Company.

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About Cronos Australia

Cronos Australia Limited is a public company listed on the ASX (ASX: CAU). The Company's largest shareholder is Cronos Group Inc. (NASDAQ: CRON, TSX: CRON). Cronos Australia was formed to take advantage of opportunities relating to the emerging cannabis industry both domestically and internationally. The vision of Cronos Australia is to become a leading health and wellness company in the Asia Pacific region through the distribution of premium THC and CBD cannabis products.

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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.

Authorised by

Rodney Cocks, Chief Executive Officer and Executive Director