



LAUNCH OF FIRST PERSONAL CARE BRAND IN NORTH ASIAN MARKETS WITH “BATHING SHED”

Melbourne, Australia, 16 December 2020 – Cronos Australia Limited (ASX:CAU, “Cronos Australia” or “Company”) is pleased to announce the launch of “Bathing Shed”, the first of its personal care consumer brands.

The Bathing Shed range of personal care consumer products is being created by the Company’s wholly-owned Hong Kong-based subsidiary Personal Care Asia Limited. Bathing Shed is a premium hemp seed oil range to be sold in North Asian personal care consumer markets, as well as in Australia.

The first product in the Bathing Shed range is Fresh Start, a solid soap for face and body, made from ingredients including Tasmanian cold-pressed hemp seed oil, sea salt and various essential oils. Cold-pressed hemp seed oil is naturally free of THC and is both non-toxic and non-psychoactive. Fresh Start is made in Japan, using traditional Japanese cold process soap making techniques. It contains no chemical perfumes, stabilisers, preservatives or colouring agents. Fresh Start is made with Australian ingredients and is cruelty-free, vegan and palm oil free and does not contain synthetic fragrance or colour.

Cronos Australia expects to launch additional skin, body and other personal care product stock keeping units to expand the Bathing Shed range in 2021.

“We are excited about the launch of Bathing Shed, our first personal care consumer brand,” said Nick Mulcahy, Director of Asia for Cronos Australia, who formerly led and grew Aesop’s Asia Pacific business. “We look forward to expanding the Bathing Shed product range in North Asian markets in 2021, underpinned by the interest from those markets in the Australian lifestyle and associated brands.”

Bathing Shed will donate a portion of its revenue to Clean Up Australia to assist with its beach clean up programs. Bathing Shed is also launching as a carbon-neutral brand and is supporting the Mount Sandy Conservation project in South Australia with carbon offsets.

The initial launch of the Bathing Shed range will be a “soft” launch, with products being available at www.bathingshed.com and with select retailers in Japan, Hong Kong and Australia. A broader launch of the range will occur in 2021 to coincide with the major retail sales cycles in the above North Asian markets.

Further information regarding Bathing Shed can be found at www.bathingshed.com.

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About Cronos Australia

Cronos Australia Limited is a public company listed on the ASX (ASX: CAU). Cronos Australia was established 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 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 distributes the PEACE NATURALS™ and Adaya ranges of medicinal cannabis products nationwide in Australia through medical practitioners via the Special Access Scheme, Authorised Prescribers or Clinical Trials. See www.adaya.co
- Cronos Australia has a 51% interest in 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 first range of products is Bathing Shed, see www.bathingshed.com
- Cronos Australia has a 50/50 joint venture with A&S Branding, the founders of Sukin Natural Skincare, for the development of CBD products for sale in domestic and export markets.

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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.