

# CRONOS

A U S T R A L I A

## CHANGES TO CLINICAL OPERATIONS

- Physical CDA Clinics on the Gold Coast, Brisbane and Sunshine Coast to close and transition to a 100% telehealth service
- Changes deliver significant overhead cost savings, continued quality patient care and a highly scalable business model
- With more than 95% of patient consults by CDA Clinics currently being undertaken via telehealth, these changes are aligned with patient preferences and the rapid adoption of telehealth during the COVID-19 pandemic
- Investment in systems and human capital to continue to support the growth of the business

**Melbourne, Australia, 16 January 2023** – Cronos Australia Limited (ASX:CAU) (**Company**) advises that the physical CDA Clinics on the Gold Coast, Brisbane and Sunshine Coast will close by 31 March 2023 and transition to a 100% telehealth service. These changes deliver significant overhead cost savings to the Company, continued quality patient care and a highly scalable business model.

Currently, more than 95% of all patient consults by CDA Clinics are undertaken via telehealth and the changes respond to patient preferences and the rapid adoption of telehealth during the COVID-19 pandemic.

Additionally, the CDA Dispensary at the Gold Coast clinic will cease operations as part of the transition to 100% telehealth. Patients who were being dispensed medicinal cannabis products at that location will have their scripts filled by one of the 3,200+ partner pharmacies on the CanView platform.

With the Company's continued growth, Cronos intends to run a process to redeploy impacted staff into other roles within the business, where possible. While there may be a small number of job losses from this process, the Company expects the impact to be minimal.

"As the market leader in Australia, we operate in a rapidly evolving industry that demands constant innovation to ensure we continue to serve our patients, prescribers, pharmacies and suppliers in the best possible way. Moreover, our transition to 100% telehealth will deliver significant cost savings and a scalable business model that allows us to consult with patients nationally not just in the local clinic area. In line with these changes, the Company is committed to investment in systems and human capital to continue to grow the business into the future," noted Chief Executive Officer, Rodney Cocks.

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## **About Cronos Australia Limited (ASX: CAU)**

Cronos Australia Limited is listed on the ASX (ASX: CAU).

- Cronos Australia's wholly-owned subsidiary, CDA Health Pty Ltd, operates the following businesses:
  - Burleigh Heads Cannabis - operates a market leading prescriber, patient, pharmacy and supplier online platform, CanView, which sells and distributes 200 product SKUs within Australia from 30 international and domestic medicinal cannabis producers
  - CDA Clinics - undertakes nationwide telehealth consultations with patients seeking access to medicinal cannabis
- Cronos Australia owns 75.5% of Cannadoc Health Pty Ltd, a medicinal cannabis clinic business that undertakes nationwide telehealth consultations with patients seeking access to medicinal cannabis.
- See:
  - [www.canview.com.au](http://www.canview.com.au)
  - [www.cdaclinics.com.au](http://www.cdaclinics.com.au)
  - [www.burleighheadscannabis.com](http://www.burleighheadscannabis.com)
  - [www.cannadoc.com.au](http://www.cannadoc.com.au)

### **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.