
ZELIRA THERAPEUTICS LIMITED

ACN 103 782 378

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 9.00am (WST)

DATE: 12 April 2022

PLACE: Virtually (<https://meetnow.global/MZ6YGCZ>)

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 9.00am (WST) on 10 April 2022.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – CONSOLIDATION OF CAPITAL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that:

- (a) every 175 Shares be consolidated into one (1) Share;*
- (b) every 175 Options be consolidated into one (1) Option; and*
- (c) every 175 Performance Shares be consolidated into one (1) Performance Share,*

(Consolidation) and, where this Consolidation results in a fraction of a Share, Option or Performance Right being held, the Company be authorised to round that fraction up to the nearest whole Share, Option or Performance Right (as the case may be)."

Dated: 11 March 2022

By order of the Board

Tim Slate
Company Secretary

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6558 0886.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTION 1 – CONSOLIDATION OF CAPITAL

1.1 Background

Resolution 1 seeks Shareholder approval to consolidate the Company's issued capital on a 175:1 basis (**Consolidation**). If this Resolution is passed, the number of:

- (a) Shares on issue will be reduced from 1,675,101,964 to 9,572,011 (subject to rounding);
- (b) Options on issue will be reduced from 153,991,338 to 879,951 (subject to rounding); and
- (c) Performance Shares on issue will be reduced from 414,899,708 to 2,370,856 (subject to rounding).

The recent capital raised from US-based fund Quincy Street, undertaken at a substantial premium to the stock's trading price, provided Zelira with the capital to roll out its growth strategy more aggressively with a target of reaching financial breakeven. As of 31 December 2021, the Company had \$7.62 million cash and no debt. Since then, the Company has received \$1,667,000 in cash up to 31 January 2022 from customers and a research & development refund from the Australian Government.

Following Zelira's strong capital position and executing its "multiple shots on goal" biopharma growth strategy, the purpose of the Consolidation is to simplify Zelira's capital structure, undertake a share consolidation to reduce the total number of shares on issue and generate efficiency savings from having a smaller number of shares on issue.

1.2 Proposed acquisition of Health House

On 24 February 2022 the Company announced that it had entered into a conditional terms sheet to acquire 100% of the shares of Health House International Limited (**Health House**). The effect of the Consolidation is that the number of Shares to be issued will be consolidated in line with the proposed Consolidation ratio, but will not change the percentage interest that Health House shareholders will hold in the Company post the completion of the acquisition.

1.3 Legal requirements

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

1.4 Fractional entitlements

Not all security holders will hold that number of Securities which can be evenly divided by 175. Where a fractional entitlement occurs, the Company will round that fraction up to the nearest whole Security.

1.5 Taxation

It is not considered that any taxation implications will exist for security holders arising from the Consolidation. However, security holders are advised to seek their own tax advice on the effect of the Consolidation and neither the Company, nor its advisers, accept any responsibility for the individual taxation implications arising from the Consolidation.

1.6 Holding statements

From the date two Business Days after the Effective Date (as set out in the timetable in Section 1.8 below), all holding statements for Securities will cease to have any effect, except as evidence of entitlement to a certain number of Securities on a post-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements for Securities to be issued to holders of those Securities.

It is the responsibility of each security holder to check the number of Securities held prior to disposal or exercise (as the case may be).

1.7 Effect on capital structure

The effect which the Consolidation will have on the Company's capital structure is set out in the table below:

	Shares	Options ¹	Performance Rights
Current issued capital (on a pre-Consolidation basis)	1,675,101,964	153,991,338	393,870,322
Securities to be issued under proposed acquisition of Health House	404,432,794	1,207,189	Nil
Post 175:1 Consolidation of Securities²	11,883,056	886,849	2,250,068

Notes:

1. The terms of these Options are set out in the table below.
2. This table assumes that no Options are exercised into Shares. The terms of these Options are set out in the table below.
3. The number of Securities on issue post-Consolidation is subject to rounding.

Options – pre-Consolidation

The effect the Consolidation will have on the terms of the Options is as set out in the tables below:

Terms	Number
Options exercisable at various prices at various dates	96,954,338
Options exercisable at \$0.07 by 13 November 2023	37,037,000
Options exercisable at \$0.10 by 11 September 2023	4,000,000
Options exercisable at \$0.15 by 11 September 2023	4,000,000
Options exercisable at \$0.20 by 11 September 2023	4,000,000
Options exercisable at \$0.28 by 11 September 2023	4,000,000
Options exercisable at \$0.30 by 11 September 2023	4,000,000
Options potentially issued to holders of Health House options in place of their existing Health House options	1,207,189
Total	155,198,527

Options – post-Consolidation

Terms	Number
Options exercisable at various prices at various dates	554,025
Options exercisable at \$12.25 by 13 November 2023	211,640
Options exercisable at \$17.50 by 11 September 2023	22,857
Options exercisable at \$26.25 by 11 September 2023	22,857
Options exercisable at \$35.00 by 11 September 2023	22,857
Options exercisable at \$49.00 by 11 September 2023	22,857
Options exercisable at \$52.50 by 11 September 2023	22,857
Options potentially issued to holders of Health House options in place of their existing Health House options	6,899
Total	886,849

1.8 Indicative timetable

If Resolution 1 is passed, the Consolidation will take effect in accordance with the following timetable (as set out in Appendix 7A (paragraph 7) of the Listing Rules):

Terms	Number
Company announces Consolidation.	11/03/2022
Company sends out the Notice of Meeting	11/03/2022
Shareholders pass Resolution 1 to approve the Consolidation.	12/04/2022
Company announces Effective Date of Consolidation.	11/03/2022
Effective Date of Consolidation	12/04/2022
Last day for pre-Consolidation trading.	13/04/2022
Post-Consolidation trading commences on a deferred settlement basis.	14/04/2022
Record Date.	19/04/2022
Last day for the Company to register transfers on a pre-Consolidation basis.	19/04/2022
First day for the Company to update its register and send holding statements to security holders reflecting the change in the number of Securities they hold.	20/04/2022
Last day for the Company to update its register and to send holding statements to security holders reflecting the change in the number of Securities they hold and to notify ASX that this has occurred.	27/04/2022

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company means Zelira Therapeutics Limited (ACN 103 782 378).

Consolidation means the consolidation of the Company's issued capital on the basis that every 175 Shares, Options or Performance Rights (as applicable) are consolidated into one (1) Shares, Options or Performance Rights (as applicable) as set out in Section 1.1.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Performance Share has the meaning given to that term at section 1.1 of this Notice.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.



ZELIRA THERAPEUTICS LIMITED
ABN 27 103 782 378

Need assistance?



Phone:
1300 366 432 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **9:00am (AWST) on Sunday, 10 April 2022.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

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Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 186623

SRN/HIN:

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Zelira Therapeutics Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Zelira Therapeutics Limited to be held as a virtual meeting on Tuesday, 12 April 2022 at 9:00am (AWST) and at any adjournment or postponement of that meeting.

Step 2 Item of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of the item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on the resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

<input type="text"/>	<input type="text"/>	<input type="text"/>	/ /
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	Date

Update your communication details *(Optional)*

<input type="text"/>	<input type="text"/>
Mobile Number	Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

