



ASX Release

28 July 2017

**ZELDA THERAPEUTICS LIMITED**  
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#### **Directors**

Mr Harry Karelis  
Dr Stewart Washer  
Ms Mara Gordon  
Mr Jason Peterson

#### **ASX Code:**

ZLD

#### **Ordinary Shares:**

754,841,934

#### **Options:**

48,000,000

6,000,000 (\$0.04 - 6/2/2020 -  
subject to vesting conditions)  
2,000,000 (\$0.04 - 6/2/2020)  
40,000,000 (\$0.03125-17/11/2021)

## JUNE 2017 QUARTERLY REPORT

- Continued positive achievements during the quarter
- Clinical research programme expanded to include autism
- Zelda's formulations demonstrated anti-cancer effect in human breast cancers
- Strategic manufacturing and distribution agreement entered into with Knop Laboratories

The Board of **Zelda Therapeutics Ltd** (ASX: ZLD, Zelda or the **Company**) is pleased to provide an operational update to accompany its Appendix 4C, released today, for the 3-month period to 30 June 2017

### **Corporate**

Zelda continued to push forward on a number of strategic fronts during the quarter. The global sector provides numerous opportunities and the Company is committed to positioning itself as a leading participant. The Company completed a \$6 million capital raising during the quarter providing additional capital to pursue these opportunities.

The Company closed the quarter with a cash position of \$7.87 million.

Subsequent to the end of the quarter, as announced on 26 July 2017, Zelda entered into a sale and purchase agreement with Enterprise Metals Ltd (Enterprise) to sell the exploration and prospecting licenses held by the Company prior to completing its relisting in November 2016. Following completion of the agreement, Zelda will receive \$100,000, to be satisfied in shares in Enterprise at an issue price based on a 5 day VWAP prior to completion

### **Operational Progress**

#### **Manufacturing and distribution agreement with Knop Laboratories**

The Company announced the execution of a strategic manufacturing and distribution agreement with Knop Laboratories. Knop Laboratories is a Chilean-based, independent pharmaceutical company with GMP manufacturing capability for Zelda's cannabis medicines. Knop also operate a chain of pharmacies providing distribution capability once products are registered.

The agreement forms an important part of Zelda's Chilean activities, locking in supply of Zelda's formulations for its planned clinical trials, and securing a source for future production of commercial quantities of Zelda's product. Knop's organisational structure also provides Zelda access to a large distribution network to fast track market penetration in South America.

#### **Expansion of Research Programme to include Autism**

The Company announced its clinical trial programme in Chile has expanded to include autism spectrum disorder (autism). Zelda will partner with Chilean non-profit patient advocate group Fundación Daya. Fundación Daya have extensive experience over a number of years treating patients suffering from autism with medicinal cannabis. Zelda will leverage their clinical experiences with autism patients and conduct formal clinical trials subject to regulatory approvals being obtained.

Autism is a disability of major global significance, with prevalence increasing by 6-15% each year. As a result, the global market for autism diagnosis and treatments is expected to grow to US\$412.7 million by 2019<sup>1</sup>. Zelda anticipates that successful results from its clinical trials will allow the Company to immediately commence the product registration process to sell clinically approved products in the Chilean market.

### **Anti-cancer effect confirmed in human breast cancer**

Zelda has an extensive pre-clinical research programme focused on breast cancers. Breast cancer is the most common cancer and the second leading cause of cancer related deaths in women in Australia<sup>2</sup>.

Following on from its initial studies in November 2016, the Company announced the results from its next stage of *in vitro* studies carried out on key breast cancer cell lines, including triple negative cancers (the most aggressive form of breast cancer). Results confirmed a statistically significant anti-cancer effect across a range of breast cancer cells using Zelda's THC-rich and CBD-rich formulations. The Company also reported that Zelda's THC-rich formulation had greater anti-cancer effect than pure synthetic THC, across all cancer sub-types including triple negative breast cancers.

The studies to date confirm the potential of cannabinoid based therapies to treat breast cancers, forming part of a multi-year work program at the Complutense University in Madrid. The next stage of research planned is to investigate the possibilities of Zelda's formulations as anti-cancer therapeutics in their own rights or in combination with current chemotherapy and radio-therapy regimes, and further *in vivo*/animal studies.

### **Outlook**

Zelda Therapeutics continues to push forward and has made strong progress with a string of achievements during the quarter. These achievements lay the foundations for future growth and key value-adding milestones over coming months.

Harry Karelis, Executive Chairman said *"I am very pleased with our achievements over the quarter and the foundations laid for future growth. It is an exciting time to be operating in a new global industry. We have quickly established a reputation as a well informed and fast-moving group. Whilst the number of opportunities available to us continues to expand we remain focused on working in areas where we believe we can achieve a sustainable competitive advantage through combinations of intellectual property, speed to market and strong partnerships. We have several new initiatives underway and I look forward to being able to report on these over coming months. We expect to be able to commence our suite of clinical trials this year which if successful should be reflected in an increase in market value and value creation for our shareholders."*

### **About Zelda Therapeutics ([www.zeldatherapeutics.com](http://www.zeldatherapeutics.com))**

Zelda Therapeutics ("Zelda") is an Australian-based bio-pharmaceutical company that has secured exclusive, global access to an extensive set of human data related to medicinal cannabis based formulations and treatment protocols. This human data has been generated over several years by a California-based group (*Aunt Zelda's*) that has a very high profile within the USA and a growing international profile based upon its deep knowledge of the scientific rationale for certain cannabis-based formulations and protocols to treat a variety of medical conditions.

Zelda has embarked on a programme of human clinical trials initially in sleep disorder (insomnia), eczema and autism indications.

In addition, Zelda is building a pre-clinical research portfolio targeting cancer. It has partnered with the world's leading cancer cannabis researchers at Complutense University Madrid in Spain to conduct certain pre-clinical work testing cannabis-based formulations known to have an effect in humans in order to generate data packs in a form expected by regulators and the pharmaceutical industry. A similar programme is in place with the Telethon Kids Institute targeting paediatric brain cancer and Curtin University targeting pancreatic cancer.

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<sup>1</sup> <https://www.bccresearch.com/market-research/healthcare/diagnosis-therapies-autism-spectrum-disorders-markets-report-hlc181a.html>

<sup>2</sup> <http://www.cancer.org.au/about-cancer/types-of-cancer/breast-cancer>