

ZELIRA THERAPEUTICS

CREATING THE LEADING GLOBAL
INTEGRATED MEDICINAL CANNABIS
COMPANY

ASX: ZLD

OTCQB: ZLDAF

WWW.ZELDATHERAPEUTICS.COM



DISCLAIMER & IMPORTANT NOTICE

Disclaimer

This presentation has been prepared by Zelda Therapeutics Ltd ACN 103 782 378 ("Company"). It does not purport to contain all the information that a prospective investor may require in connection with any potential investment in the Company. You should not treat the contents of this presentation, or any information provided in connection with it, as financial advice, financial product advice or advice relating to legal, taxation or investment matters.

No representation or warranty (whether express or implied) is made by the Company or any of its officers, advisers, agents or employees as to the accuracy, completeness or reasonableness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this presentation or provided in connection with it, or any omission from this presentation, nor as to the attainability of any estimates, forecasts or projections set out in this presentation.

This presentation is provided expressly on the basis that you will carry out your own independent inquiries into the matters contained in the presentation and make your own independent decisions about the affairs, financial position or prospects of the Company. The Company reserves the right to update, amend or supplement the information at any time in its absolute discretion (without incurring any obligation to do so).

Neither the Company, nor its related bodies corporate, officers, their advisers, agents and employees accept any responsibility or liability to you or to any other person or entity arising out of this presentation including pursuant to the general law (whether for negligence, under statute or otherwise), or under the Australian Securities and Investments Commission Act 2001, Corporations Act 2001, Competition and Consumer Act 2010 or any corresponding provision of any Australian state or territory legislation (or the law of any similar legislation in any other jurisdiction), or similar provision under any applicable law. Any such responsibility or liability is, to the maximum extent permitted by law, expressly disclaimed and excluded.

Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in the Company.

Future matters

This presentation contains reference to certain intentions, expectations, future plans, strategy and prospects of the Company.

Those intentions, expectations, future plans, strategy and prospects may or may not be achieved. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. The performance and operations of the Company may be influenced by a number of factors, many of which are outside the control of the Company. No representation or warranty, express or implied, is made by the Company, or any of its directors, officers, employees, advisers or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved.

Given the risks and uncertainties that may cause the Company's actual future results, performance or achievements to be materially different from those expected, planned or intended, recipients should not place undue reliance on these intentions, expectations, future plans, strategy and prospects. The Company does not warrant or represent that the actual results, performance or achievements will be as expected, planned or intended.



ZELDA + ILERA = ZELIRA THERAPEUTICS

- Creates globally integrated company to develop clinically validated cannabis medical products
- US, Australia and EU footprint to access the largest, most profitable & fastest growing cannabis markets
- A leading pipeline of products in clinical development targeting large addressable markets
- Revenues from products (HOPE) launched in the US – multiple products set-to launch globally in 2020
- Disruptive '**Launch, Learn, & Develop**' model for rapid commercialization
- Captures synergies that drives significant uplift in value



ZELIRA: PRODUCT VALUE DRIVERS

- Three ongoing clinical trials with near-term milestones
 - *PHASE II Insomnia Trial (Sleep Centre, University of Western Australia) – Reports Q1, 2020*
 - *PHASE 1B Opioid Reduction Trial (St Vincent's Hospital, Melbourne) – Reports Q4, 2019*
 - *OBSERVATIONAL Autism Trial (Children's Hospital of Philadelphia)- Reports Q1, 2020*
- Non-clinical trial and one clinical trial product projected to report out/launched in 2020
- Dermatology subsidiary in collaboration with renown dermatologist, Dr. Karyn Grossman
- Partnership with SUDA to develop proprietary oral mucosal formulations
- Disruptive strategy to undertake ethics-approved randomized clinical trials and distribute products across USA



ZELIRA: COMMERCIAL VALUE DRIVERS

- US operations and partnership with Ilera Healthcare/TerrAscend and Ilera Holistic to access North America
- Distribution agreements to access fastest growing markets in Australia, Germany & UK
- Manufacturing agreement with HAPA pharm BV to supply ex-US markets
- Access to cost-effective Australian R&D Tax Credit Program (Returns 43.5% of eligible research expenditure)
- Experienced management team: pharma, capital markets, licensing, consumer-branding, clinical trials
- Strong track record in value creation e.g. Ilera Healthcare sold in deal worth up to US\$225M < 2 years
- ASX/OTCQB listed biotech company that is well poised for revenue growth



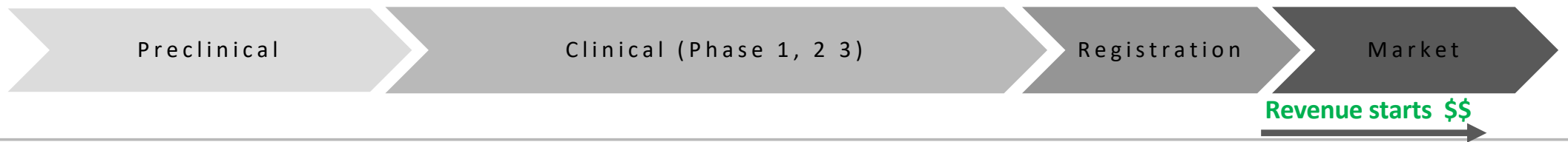
COMMERCIALIZATION STRATEGY



MEDICINAL CANNABIS: ACCELERATED PATH TO MARKET

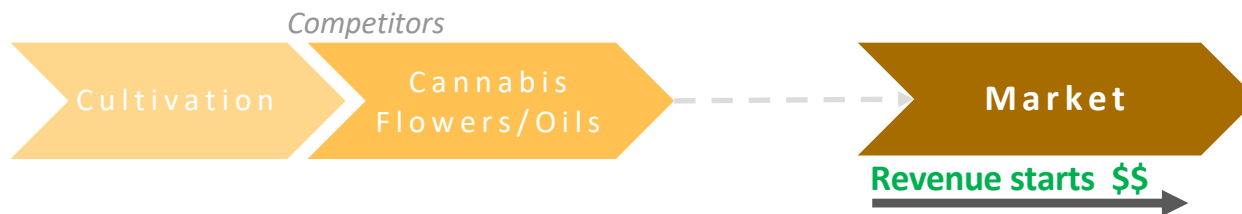
Conventional Pharmaceutical Development Path

10 years to market, \$1 Billion-expensive medicine



Emerging Market for Unregistered Cannabis Medicines

Legal, safe & affordable, rapid access to market



Zelira's Launch, Learn and Develop Model

Legal, safe & affordable, rapid access to market, clinical validation, value-adding/differentiation



DIFFERENTIATED COMMERCIALIZATION MODEL



Competitors → Downward pressure on price to compete

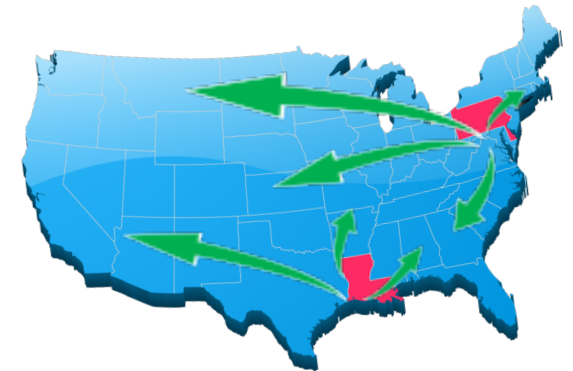


ZELIRA'S COMMERCIALIZATION STRATEGY - USA

Licensing (IP)

Target MSO's focused on medicinal cannabis

Access 4M patients¹



- Novel virtual distribution strategy to accelerate access to entire US market
- License products, IP, technical and clinical dossiers
- Access to premium validated products drives deal-flow



ZELIRA'S COMMERCIALIZATION STRATEGY (EX-USA)

Manufacturing



Distribution/Licensing



- >50K registered patients
- Patient costs are reimbursable
- Av patient spend €23/day



- 50K registered patients by 2020
- Fastest growing global MC market



- Emerging market



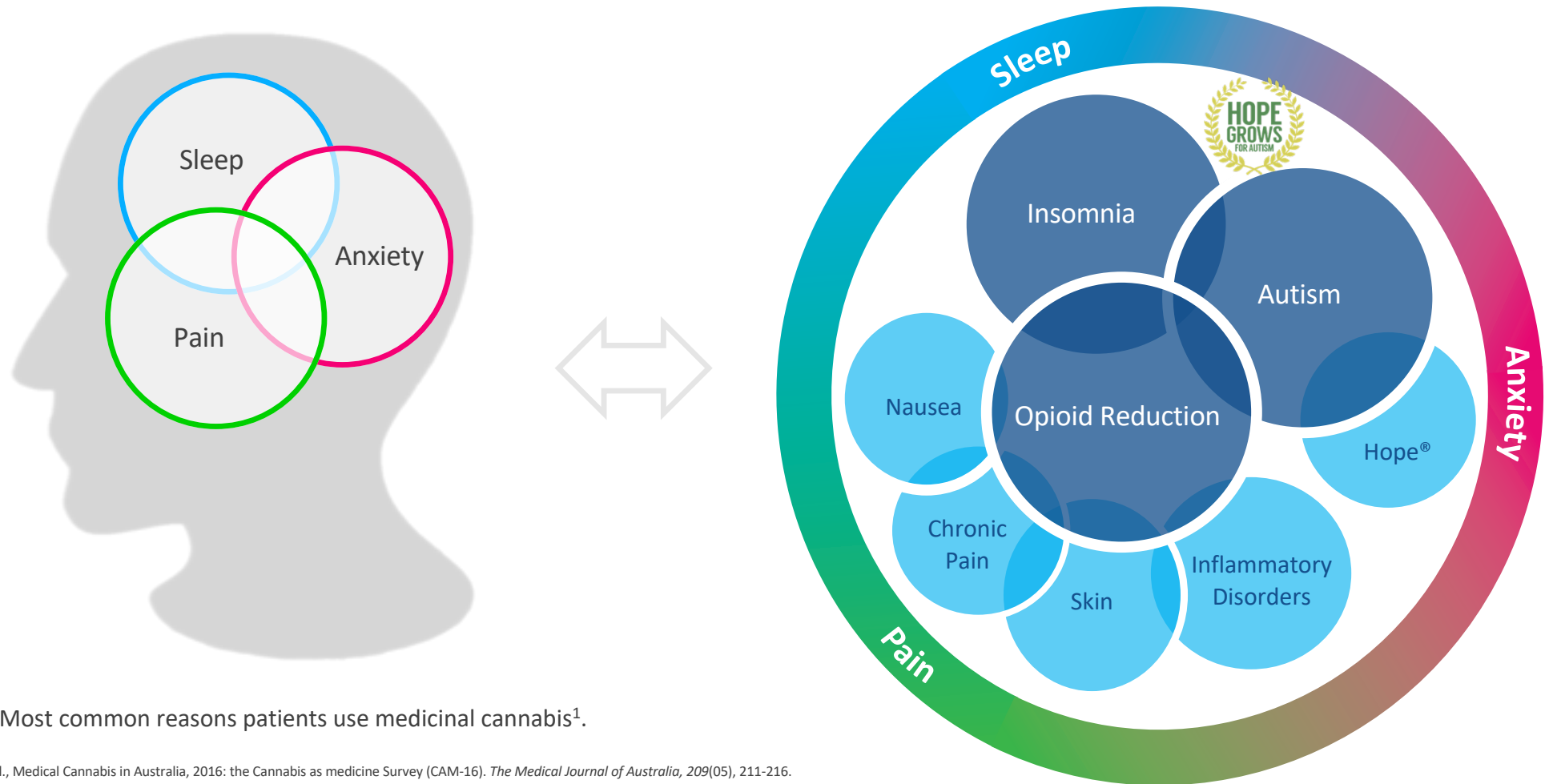
- >300K registered patients
- Mature market



HOW ARE WE DIFFERENT?



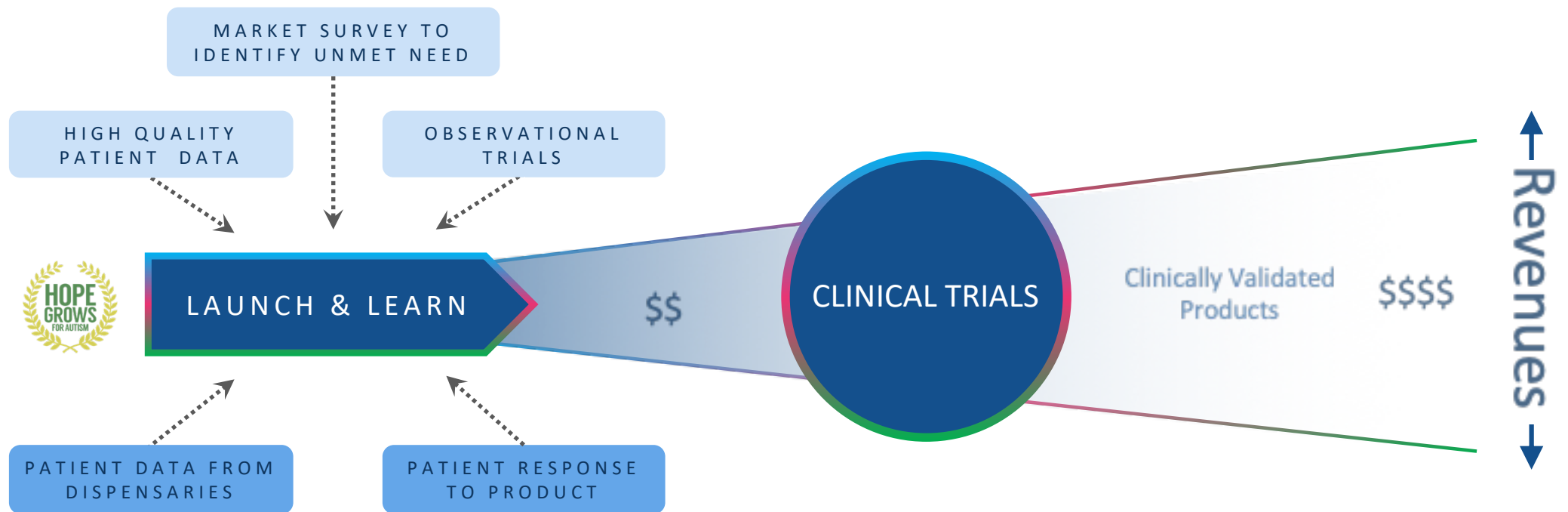
FOCUS ON CURRENT PATIENT NEEDS = LARGE ADDRESSABLE MARKET



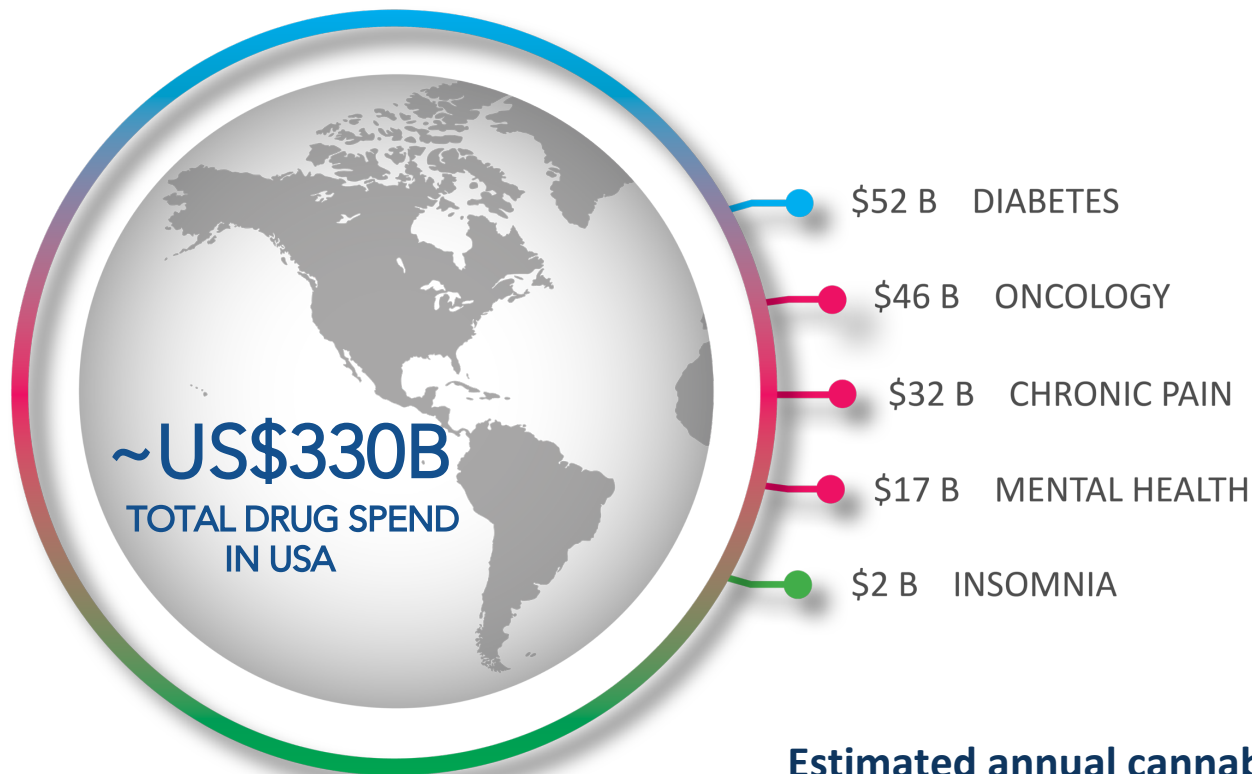
1. Lintzeris, N et al., Medical Cannabis in Australia, 2016: the Cannabis as medicine Survey (CAM-16). *The Medical Journal of Australia*, 209(05), 211-216.



ZELIRA'S "LAUNCH, LEARN AND DEVELOP" MODEL



STRATEGIC FOCUS ON DISRUPTING TRADITIONAL PHARMA MARKETS



**Estimated annual cannabis substitution cost =
\$4.86 billion in 2019**

(New Frontier Data¹)



TARGETED STRATEGY TO DISRUPT PAIN MARKET

63%

cannabis patients registered for chronic pain¹

~90%

report cannabis more effective than standard pain medications¹⁻³

~85%

reduced or stopped OTC or opioid pain medications³

50M CHRONIC
PAIN SUFFERERS
IN US⁴

2.6M
CANNABIS
PATIENTS

Estimated \$1.5B cannabis
substitution cost

1. Boehnke, K. F., et al. (2019). Qualifying Conditions Of Medical Cannabis License Holders in The United States. Health Affairs (Project Hope), 38(2), 295-302.
2. Reeman, A., et al. (2017). Cannabis as a Substitute for Opioid-Based Pain Medication: Patient Self-Report. Cannabis and Cannabinoid Research, 2(1), 160-166.
3. Bachhuber, M., et al. (2019). Use of Cannabis to Relieve Pain and Promote Sleep by Customers at an Adult Use Dispensary. Journal of Psychoactive Drugs
4. Dahlgren, J., et al. (2018). Prevalence of Chronic Pain and High-Impact Chronic Pain Among Adults - United States, 2016. MMWR. Morbidity and Mortality Weekly Report, 67(36), 1001-1006.



EXPAND PAIN MARKET FOR CANNABIS MEDICINES

- Undertake 'first-in-class' clinical trials to validate range of clinical and commercial endpoints including;
 - *Established clinical endpoints for pain*
 - *Substitution rates of concomitant pain therapies for cannabis*
 - *QALY impact of proprietary cannabis therapy in chronic pain patients*



DERMATOLOGY SUBSIDIARY

Leverage the recognized brand and expertise of **Karyn Grossman MD** (Grossman Dermatology) to formulate and commercialize high quality, differentiated dermatology products for the dermatology subsidiary (currently Ilera Dermatology):

- Dr. Grossman has 20% equity stake in the subsidiary (currently Ilera Dermatology)
- Dermatology practices in New York and California to successfully market her current line of Dermatology products
- Collaboration will focus on formulation of high quality CBD-based dermatology products for commercialization by Zelira



Dr. Gossman
in the News



- *Dr. Karyn Grossman is a high-profile, internationally renowned, board certified cosmetic dermatologist*
- *Trained at Harvard Medical School, she's considered a key opinion leader in the fields of esthetics*
- *Dr. Grossman has been featured in many broadcast and print media outlets to provide consumers expert information on cosmetic procedures, skin care and sun protection.*
- *Dr. Grossman designed and developed new products including fillers and devices as well as educational and training materials.*
- *Dr. Grossman has published articles and textbooks in peer reviewed dermatologic journals ranging from basic science research articles to those on cosmetic dermatology.*



STRONG INTELLECTUAL PROPERTY PORTFOLIO

- Seven patent families filed covering:

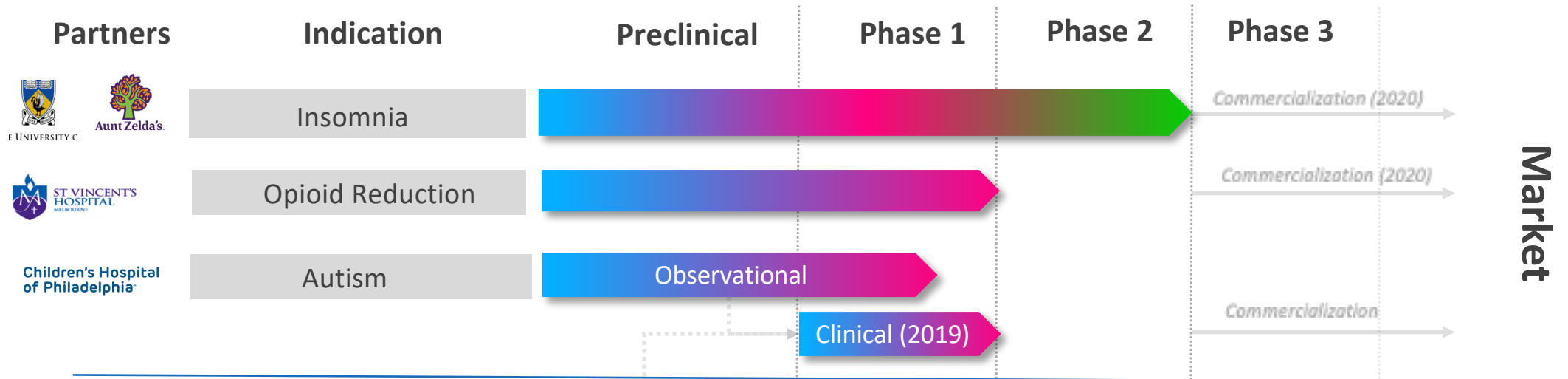
- **Cancer**
- **Skin Disease (topical)**
- **Sleep Disorders**
- **Cancer diagnostics**
- Autism
- Anxiety
- Opioid Reduction

Patent	Priority Date	Filing
Cancer	August 2016	WO2018/023166
Skin Disease	August 2016	WO2018/023164
Sleep Disorders	August 2016	WO 2018/023163
Insomnia	November 2017	AU2017904818
Cancer Prognosis	October 2016	WO 2018/071986 A1
Autism	September 2017	AU2017903766

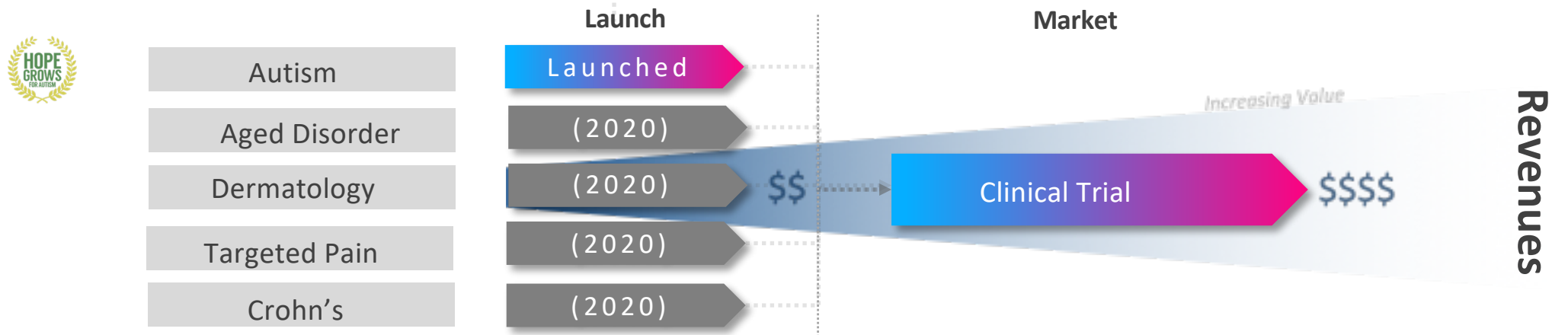
- Patents provide protection until 2036.
- Generating novel IP is core to Zelira's commercialization strategy.
- Strong and defensible IP will be essential as patent landscape becomes increasingly litigious.



ZELIRA'S DEVELOPMENT PIPELINE



ZELIRA'S LAUNCH, LEARN & DEVELOP MODEL



ZELIRA'S FOUR SOURCES OF REVENUES



CORPORATE



CORPORATE SNAPSHOT

FINANCIALS (as at 22 Nov 2019)

AUD\$

- Share Price \$0.067
- 52w Range \$0.033 - 0.115
- Current shares on issue 755m
- Market Capitalization \$51m
- Cash (Sep 2019) \$2.7m
- Cash Burn (2019 FY) \$2.6m

SHARE PRICE (as at 22 Nov 2019)



POST MERGER CAPITAL STRUCTURE¹

1. Assuming performance shares issued (fully diluted)







Directors Holdings: 37%
 Top 20 Shareholders: 72%
 Employee Options: 95m

Top Shareholders

- Ilera Team 50.0%
- Jason Peterson 4.7%
- Harry Karelis 3.3%
- Merchant Fund 1.8%



COMPARATIVE ANALYSIS

	Company Name	Market Cap (USD)	Revenue (2018)	Market Cap to Revenue Ratio	Product & Development Status
	GW Pharmaceuticals	\$3.3B	\$26.6M	124.1x	Approved for Sativex (MS spasticity) and Epidolex (childhood epilepsy), multiple Phase 1-3 trials. Synthetic THC/CBD
	Tilray	\$2.4B	\$44M	54.5x	Cannabis THC/CBD Cultivization, Process, Distribution
	Charlotte's Web	\$662.5M	\$69.5M	9.5x	Commercialized CBD Products
	Botanix Pharmaceuticals	\$73M	\$0	n/a	Phase 1-2 Trials (Acne, Plaque Psoriasis, Atopic Dermatitis)
	Zelda Therapeutics	\$41.1M	\$0	n/a	Phase 2 (insomnia), Phase 1 (Opioid Reduction), Observational (Autism)
	Inmed	\$33.8M	\$0	n/a	Preclinical (Cancer), CBD-only, Testing Preclinical Epidermolysis Bullosa, Glaucoma, Orofacial pain, Synthetic cannabinoids



BOARD OF DIRECTORS



Osagie Imasogie
Chairman of the Board

- Over 30 years in the field of law, finance, business management, healthcare and the pharmaceutical industry.
- Co-founder and the Senior Managing Partner of PIPV Capital, a Private Equity Firm focused on the Life Sciences vertical.
- Chairman and Founder of Ilera Healthcare, iCeutica, Inc., Churchill Pharma, Ception Therapeutics Inc. and Trigenesis Therapeutics Inc



Dr Oludare Odumosu
CEO & Managing Director USA

- Global life sciences/pharmaceutical innovation & development
- Post-clinical development of Iroko Pharmaceutical's Zorvolex® Tivorbex® and Vivlodex® through FDA approvals and successful US market commercialization.
- Founding COO of Ilera Healthcare. Ilera healthcare was acquired by TerrAscend for up to \$225M in 2019
- CSO/EVP of Ilera Therapeutics



Dr Richard Hopkins
CEO & Managing Director
EX-US

- Experienced bio- pharmaceutical executive.
- 19 years in corporate leadership roles. CEO/MD of 3 biotechnology companies.
- Involved in multiple pharma licensing deals generating >\$12m in revenues
- Co-founder of Phylogica.



Harry Karelis
Vice Chairman of the board

- Co-founder corporate advisory & investment firm, Jindalee Partners
- Founding Director/Shareholder of numerous ASX-listed companies including in the global medicinal cannabis sector.
- 25 years experience in the financial services sector, specialising in med-tech private equity investing.



Jason Peterson
Director

- Founder, Director and Head of Corporate at Stock Broking and Corporate Advisory firm, CPS Capital.
- Founding Director/Shareholder of numerous ASX-listed companies including in the global medicinal cannabis sector.
- +25 years of experience in the financial advisory sector.



Lisa Gray
Director

- Served as COO for GlaxoSmithKline ("GSK") Pharmaceuticals Ventures.
- Co-Founder and Vice Chair of Ilera Healthcare, and was a lead on the sale of this business to TerrAscend (TER.CN).
- Vice Chair for Ilera Holistic Healthcare and Ilera Therapeutics
- Co-Founder and Managing Partner of PIPV Capital.



SCIENTIFIC ADVISORY BOARD



Dr Calvin Johnson

- Former Secretary of Health for the Commonwealth of Pennsylvania.
- Former VP and Chief Medical Officer of Temple University Health System
- Johns Hopkins Medical School MD and MPH graduate. Specialty in pediatrics from the Children's Hospital of Philadelphia, University of Pennsylvania



Dr Cristina Sanchez

- Assistant Professor at Complutense University, Madrid Spain.
- > 10 yrs experience researching the mechanism of action and therapeutic potential of cannabinoids to treat cancer.



Dr Ethan Russo

- Paediatric and adult neurologist specialising in cannabis therapies
- Key opinion leader in medicinal cannabis.
- Served as clinical physician to GW Pharmaceuticals for numerous Phase I-III clinical trials of Sativex and Epidiolex.
- Authored 7 books and >50 articles on cannabis



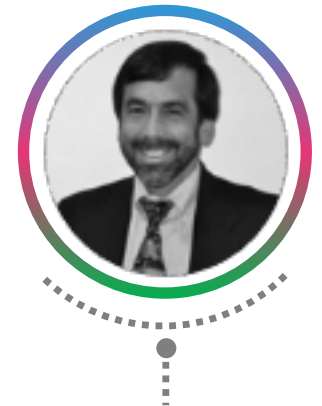
Dr David Casarett

- Prof. of Medicine and a leading palliative care physician at Duke University School of Medicine.
- Clinical interests include use of cannabis to treat pain and nausea.



Dr Dustin Sulak

- Integrative medicine practitioner and pioneer in field of cannabinoid medicine.
- Founder of two specialist clinics in the US that have treated > 18,000 patients with medical cannabis.



Dr Michael L Liebman

- Managing Director of IPQ Analytics, LLC and Strategic Medicine, Inc.
- Research focuses on international and US addictive behaviors and their relationship to health, analyzing and comparing the long experience across the EU in medical marijuana with the early stage activities in the US.
- Adjunct Professor of Pharmacology and Physiology at Drexel College of Medicine and Adjunct Professor of Drug Discovery, First Hospital of Wenzhou Medical University and Fudan University School of Medicine.



PROPOSED TRANSACTION TERMS

Zelda agrees to acquire 100% of the issued capital of Ilera Therapeutics.

The consideration is:

- 113,601,290 fully paid ordinary shares in the Company (Consideration Shares); and
- 362,620,322 Class A Performance Rights; and
- 362,620,322 Class B Performance Rights,
- Should all Performance Rights vest then the total Consideration comprises 838,841,934 fully paid ordinary shares comprising approximately 50.00% of total diluted issued capital in the Company

Conversion of the Class A Performance Rights

- Class A Performance Rights will be converted when the cumulative revenues received by the Company from US-based product sales exceeds US\$1,000,000.
- Class B Performance Rights will be converted when the cumulative revenues received by the Company from US-based product sales exceeds US\$2,500,000.

Shareholder Approval

- Issuance of shares to complete the transaction subject to shareholder approval
- Meeting to be held on the 28th November





***ZELIRA THERAPEUTICS OFFERS INVESTORS EXPOSURE TO A RAPIDLY
EMERGING GLOBAL INDUSTRY AT VERY ATTRACTIVE VALUATIONS AND
SIGNIFICANT VALUE DRIVERS OVER THE NEXT 3-18 MONTHS***

