

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Zelira Therapeutics Limited (formerly Zelda Therapeutics Limited)

ABN

27 103 782 378

Quarter ended ("current quarter")

31 December 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(575)	(1,370)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(25)	(162)
(d) leased assets	(17)	(17)
(e) staff and board remuneration	(242)	(368)
(f) administration and corporate costs	(926)	(1,212)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	15	20
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	981	981
1.8 Other (provide details if material)	2	2
1.9 Net cash from / (used in) operating activities	(787)	(2,126)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	188	188
(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	188	188

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	63
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	63

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	1,804	3,080
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(787)	(2,126)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	188	188
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	63

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(8)	(1)
4.6	Cash and cash equivalents at end of quarter	1,197	1,197

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,188	295
5.2	Call deposits	-	1,500
5.3	Bank overdrafts	-	-
5.4	Other (provide details) - Rental bond	9	9
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,197	1,804

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

186

Executive Board Remuneration – \$61,000
Non-Executive Board Remuneration – \$54,000
Non-Director Services – \$16,000
Reimbursement of Expenses – \$55,000

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

-

-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		


9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	852
9.2 Product manufacturing and operating costs	
9.3 Advertising and marketing	27
9.4 Leased assets	49
9.5 Staff costs and board remuneration	205
9.6 Administration and corporate costs	366
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	1,498

Note: Zelira intends to raise additional capital via a placement to professional and sophisticated investors. The funds raised are expected to provide sufficient working capital for at least the next two quarters.

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity	Ilera Therapeutics LLC	
10.2	Place of incorporation or registration	United States	
10.3	Consideration for acquisition or disposal	(a) 113,601,290 fully paid ordinary shares in the Company (Consideration Shares); and (b) 362,620,322 Class A Performance Rights; and (c) 362,620,322 Class B Performance Rights, to be issued pro rata between the Ilera Therapeutics shareholders (together the Consideration).	
10.4	Total net assets	\$435,000	
10.5	Nature of business	Medicinal cannabis and cannabinoid science	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
(Director/Company secretary)

Date:31 January 2020.....

Print name:Tim Slate.....

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.